HURRICANE HYDROCARBONS LTD
Form 6-K
November 27, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO SECTION 13a-16 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934

For the month of November 2002

Commission File Number: 0-28466

HURRICANE HYDROCARBONS LTD.
(Exact name of registrant as specified in its charter)

Suite 1460, Sun Lite Plaza, North Tower, 140-4th Avenue S.W.,
Calgary, Alberta T2P 3N3

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ____ Form 40-F X ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1).______

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):______

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No X

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If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-______

[HURRICANE HYDROCARBONS LTD. LOGO]

Q3 Interim Report
AS AT NOVEMBER 30, 2002

Message to the shareholders

HIGHLIGHTS

Hurricane's Third Quarter 2002 highlights included the following:

- Earnings of $60.5 million ($0.74 per share)
- Cash flow of $77.9 million ($0.96 per share)
- Production of 143,175 barrels of oil per day, up 37% versus 2001
- Agreement reached with KazMunaiGas on participation in the QAM pipeline
- Record export sales being realized
- Downstream name changed from Shymkentnefteorgsyntez to Hurricane Oil Products
- Cancelled 366,461 shares under the Normal Course Issuer Bid program

FINANCIAL REVIEW

(IN MILLIONS OF US$ EXCEPT PER SHARE AMOUNTS)	NINE MONTHS ENDED SEPT 30		THREE MONTHS
	2002	2001	2002
Gross Revenue	568.7	474.8	248.0
Net income	117.4	146.3	60.5
Per share (basic)	1.45	1.83	0.74
Per share (diluted)	1.39	1.73	0.71
Cash flow	158.2	167.3	77.9
Per share (basic)	1.95	2.09	0.96
Per share (diluted)	1.87	1.98	0.92
Weight Average Shares Outstanding			
Basic	81,042,900	79,875,296	81,301,955
Diluted	84,483,117	84,461,557	84,742,172
Shares Outstanding at End of Period	81,041,485	80,106,005	81,041,485

UPSTREAM OPERATIONS REVIEW

PRODUCTION

During the third quarter of 2002, Hurricane's production volumes totaled 13.17 million barrels or an average of 143,175 barrels of oil per day ("bopd") representing a 37.2% increase over the third quarter 2001 production of 104,379 bopd and a 21.5% increase over the second quarter 2002 production rates of 117,844 per bopd. Record export sales combined with enhanced performance from all fields lead to

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these increases. Production during the last week in September averaged 144,000 bopd and increased to 154,000 bopd by mid October. Average production for the nine months to September 30, 2002 was 128,203 bopd, up 31.1% over the nine months of 2001.

Currently, Hurricane has 8 service rigs in operation that are contributing to the ongoing enhancement of daily production.

Further development and production enhancement of the Akshabulak field, operated by Kazgermunai ("KGM"), is being pursued with the German joint venture partners. To date, no resolution has been achieved.

Hurricane's operations are proceeding according to plan. The average yearly production for 2002 is anticipated to be approximately 135,000 bopd with a year-end exit production rate of 156,000 bopd.

KUMKOL FIELDS FACILITIES

Two new South Kumkol freewater knockout facilities, commissioned in early October, relieve water handling issues at the main central processing facility, thereby increasing production. The facilities are now handling some 275,000 barrels of fluid per day with crude oil production of 116,000 bopd.

In the third quarter of 2002, Kumkol South production increased by 12% to 65,900 bopd versus 58,750 bopd in the second quarter of 2002.

South Kumkol continues to exceed production expectations. With 21 wells now on production, all but one with artificial lift pumps, daily production has increased to 24,000 bopd versus 18,400 bopd in the second quarter of this year, a 30% increase. Current production is averaging 28,500 bopd.

GAS UTILIZATION PROJECT

The 55-megawatt power plant project at Kumkol is more than 60% completed. It is on target for commissioning in the second quarter of 2003. Foundations for major equipment have been completed and the equipment is due to arrive in October. The cost of the project is anticipated to be approximately $32 million. To date, almost $22 million has been committed.

EXPLORATION

Further exploration and appraisal of the North Nurali field, discovered by 2 wells earlier this year, will be conducted once 3D seismic is obtained. A comprehensive drilling and testing program is being developed on expected 3D results to be started early in the new year. In addition, one of the original leads to the East of North Nurali, Lead I, requires 3D seismic to optimize the well location. The 3D seismic will not be completed until early 2003.

Follow-up prospects are being developed based on the encouraging results to date. New well information, sample and study data are being incorporated into the basin model.

The sixth well of the exploration program has been reassessed and needs to be drilled to a depth beyond the capabilities of the current drilling unit. Consequently, an alternative rig is required that is capable of drilling to depths of 4,000 metres. It was always Hurricane's intent to share this new high-grade rig and the associated high mobilization and demobilization costs with the KGM Joint Venture for its drilling campaign. Unfortunately, because KGM has postponed the enhancement program of the Akshabulak field, the unit has not been mobilized to date. It is conceivable that Hurricane's deep lead well will be deferred into the 2003 exploration program.

APPRAISAL AND DEVELOPMENT DRILLING

Additional production testing continued in the QAM fields (Qyzylkiya, Aryskum and Maybulak). The combined production rate for all three fields has increased by 44% to 15,900 bopd compared to 11,000 bopd in the second quarter. This production is delivered from 23 wells. The QAM field's year to date average production is 11,700 bopd.

The East Kumkol development program proceeds. Government approval of reserves has been obtained. Production contract and license agreements are being developed. Production has temporarily ceased pending these approvals and Joint Venture agreements with Turgai Petroleum as the reservoir extends onto their license.

The 2002, 38 well drilling program of the Turgai Petroleum joint venture has been completed. Following encouraging results, an additional 17 wells will be added to the 2002 drilling program. Gross production has increased by 20% to 49,800 bopd versus the 41,400 bopd in the second quarter of 2002.

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The gross production of the KGM joint venture fields was 25,000 bopd in the third quarter versus 17,500 bopd in the second quarter of 2002.

The German partners continue to question the benefits of an accelerated development program and consequently, the drilling plan for these assets is limited to 5 new wells in 2002.

Overall, in the first nine months of 2002, Hurricane participated in the drilling of 50 new wells. An additional 22 wells will be drilled in the fourth quarter of 2002.

QAM PIPELINE

On October 16, 2002, Hurricane received confirmation of approval from the Kazakhstan Government to proceed with the construction of the 177-kilometre QAM pipeline connecting Kumkol to a rail loading station in Dzhusaly via the QAM fields. KazMunaiGas and Hurricane will fund and hold equal working interest in the project from Aryskum to Dzhusaly. Kaztransoil, an affiliate of KasMunaiGas, will be the technical operator, under a service contract, of the QAM pipeline whose initial capacity will be 100,000 bopd. The project is scheduled for construction completion in the second quarter of 2003 with commissioning to occur in the third quarter of 2003.

DOWNSTREAM MARKETING, TRADING AND REFINING

CRUDE TRADING AND TRANSPORTATION

Crude export sales volumes continued to rise showing an 11% increase versus the second quarter despite the uninterrupted operation of the refinery during the third quarter. Shipments from the loading station at Tekesu also continued to improve, recording a 10% increase against the second quarter. The quarter closed with record export shipments averaging 90,179 bopd (11,642 tonnes per day) in September an improvement of 22% against the average for the second quarter. This growth in shipments through Tekesu has continued into early October with shipments of about 96,825 bopd (12,500 tonnes per day). Recently, loading at Tekesu has repeatedly reached levels of 139,430 bopd (18,000 tonnes per day).

The improvement in crude export shipments has been as a result of an increase in the number of leased rail cars under our control together with greater access to the Atyrau-Samara pipeline. The number of leased rail cars in our control continues to grow and currently stands at around 800 crude cars and will be in excess of 3,000 next year. Access to Atyrau-Samara has improved over the last few months and in September, this route accounted for 40% of the crude oil shipped for export by Hurricane Kumkol Munai ("HKM"). The management of KazMunaiGas has assured HKM that there is a capacity of 775,000 barrels per month (100,000 tonnes per month) available for HKM to use until the end of this year with the exception of October when maintenance work is required to the discharge facilities at Atyrau. More recently, the Ministry of Energy in Kazakhstan has assured Hurricane of equitable and independent access to Atyrau-Samara and the port of Aktau. The potential for greater access to these export routes in future months exists and there is capacity to handle future planned production increases.

The increase in crude exports has helped reduce the crude oil inventories held at Kumkol and Tekesu although this has been partially offset by increases in the volume of oil in transit and awaiting loading at ports under Free On Board ("FOB") contracts.

Crude oil exports were sold Cost, Insurance and Freight ("CIF") into Italian refineries, FOB Batumi, FOB Odessa via Atyrau-Samara, Carriage Paid To ("CPT") Novorossiisk and Delivered At Frontier ("DAF") China albeit these Chinese volumes remain relatively small. Other sales were made on a Freight Carriage Assurance ("FCA") basis to the traditional route of Aktau.

Crude prices remained robust on the back of the potential crisis surrounding Iraq and lower than anticipated US crude stocks. The average of the day's dated Brent price started the quarter at $25.71 per barrel and finished the quarter at $28.875 per barrel. Volatility remained high with a dated Brent swing of $4.46 per barrel during the quarter and dated prices ranging from a low of $25.08 and a high of $29.54 during the quarter. Sweet crude differentials improved against last quarter with Tengiz CIF Mediterranean quotes recovering to a 10 cent premium to Brent in August although slipping during September to a 20 cent discount. Nevertheless, this is still an improvement to the deep discounts seen in the second quarter. Kumkol CIF Mediterranean meanwhile is currently trading 30 to 40 cents per barrel better than Tengiz. Part of this improvement will

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be seen in the fourth quarter as FOB sales shipped in September are concluded.

REFINED PRODUCT MARKETING AND REFINING

During the third quarter of 2002, the Shymkent refinery processed 7.1 million barrels or 77,173 bopd, of which 4,347 bopd was custom-refined for third parties, up 33% versus 5.3 million barrels or 58,392 bopd, none of which was custom-refined for third parties in the second quarter of 2002. This was in line with the 7.2 million barrels or 78,695 bopd that was processed in the third quarter of 2001. The variation between the second and third quarters of 2002 is primarily due to the maintenance shutdown that took place in the second quarter.

The yield improvements as a result of the work carried out during the annual maintenance turnaround were proven in the third quarter. Mazut yield was reduced to 31% for the quarter with a consequential increase in the yield of higher value products. A project is underway at the refinery to produce Vacuum Gasoil which will further reduce mazut yield and thereby improve refining economics.

Refined product sales increased in the third quarter primarily as a consequence of the maintenance shutdown which reduced the production and sales volumes in the second quarter. Refined product prices continued the recovery started in the second quarter which when applied to the higher sales volumes improved sales revenues by 62% against the previous quarter. Despite these improvements refined product netbacks remain at a discount to the crude export alternative.

ORGANIZATIONAL CHANGES

At the last Annual General Meeting of Shymkentnefteorgsyntez ("ShNOS"), Hurricane's downstream affiliate, shareholders resolved to approve a name change from ShNOS to Hurricane Oil Products. This name change results in a unified branding of all of Hurricane's affiliates.

NORMAL COURSE ISSUER BID

As of September 30, 2002, Hurricane had purchased 379,961 shares and cancelled 366,461 shares. The Normal Course Issuer Bid approval allows Hurricane to purchase up to 5.25 million shares during the period August 7, 2002 to August 6, 2003.

MANAGEMENT UPDATES

Hurricane is pleased to announce that Mr. Marlo Thomas, President of Hurricane Kunkol Munai and Hurricane Oil Products, has also been appointed Executive Vice President of the Corporation.

Effective October 1, 2002, Mr. Dermot Hassett, Hurricane Kumkol Munai Vice President Marketing and Trading was appointed Vice President Marketing and Transportation of the Corporation. Mr. Robert Goldsmith has replaced Mr. Hassett as Vice President Marketing and Trading, Hurricane Kumkol Munai.

Respectfully submitted on behalf of the Board of Directors,

(signed)

Bernard F. Isuatier

Chairman of the Board, President and Chief Executive Officer

October 31, 2002

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis should be read in conjunction with the Interim Consolidated Statements.

The third quarter of 2002, saw sustained production growth and a period of uninterrupted production. Production grew by 21.5% over the second quarter of 2002. Average production for the nine months to September 30, 2002 was 128,203 bopd as compared to 97,770 bopd for the same period in 2001.

ALL NUMBERS ARE IN US DOLLARS UNLESS OTHERWISE INDICATED.

The following discussion covers the third quarter and nine months of 2002 and 2001.

For the quarter ended September 30, 2002, the Corporation generated $60.5 million of net income and $77.9 million of cash flow. This represents basic net income per share of $0.74 and basic cash flow per share of $0.96 for the quarter. The comparable figures for 2001 were net income of $46.5 million or $0.58 basic net income per share and $53.8 million of cash flow or $0.67 basic cash flow per share.

Inventory volumes relating to in transit FOB sales decreased from 1.1 million bbls at the end of the second quarter to 895,000 bbls at the end of September. This release of inventory has increased net income for the third quarter by approximately $3.3 million as compared with the second quarter.

The Corporation has reclassified sales of $8.6 million and associated volumes of 147,000 tonnes (1,139,000 bbls) from domestic sales to crude oil and refined product purchases. This adjustment was made as it more appropriately reflects the underlying transaction in which royalty crude oil originally delivered in kind, was repurchased from and then later resold to the Authorities at their request. This adjustment is reflected in the following tables and accounts for the negative domestic sales.

REVENUE, PRODUCTION AND SALES

UPSTREAM

Upstream production averaged 143,175 bopd for the third quarter of 2002 compared to 104,379 bopd for the same period in 2001. The tables below set out total production, acquisitions and sales from Upstream operations.

PRODUCTION

	THREE MONTHS ENDED SEPTEMBER 30, 2002 (MMBBLS)	Three mon September (MMbb
Opening inventory of crude oil	1.59	0.
Production	13.17	9.
Crude oil purchased from third parties	(0.70)	
Crude oil purchased from joint ventures (50%)	1.57	
Sales or transfers	(14.35)	(9.
Pipeline losses	(0.01)	(0.
Closing inventory of crude oil	1.27	0.

	NINE MONTHS ENDED SEPTEMBER 30, 2002 (MMBBLS)	Nine mont September (MMbb
Opening inventory of crude oil	0.70	0.
Production	35.00	26.
Crude oil purchased from third parties	0.24	
Crude oil purchased from joint ventures (50%)	2.12	
Sales or transfers	(36.74)	(26.
Pipeline losses	(0.05)	(0.
Closing inventory of crude oil	1.27	0.

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SALES OF CRUDE OIL

	THREE MONTHS ENDED SEP	
	2002 (MMBBLS)	2002 (%)
Crude oil exports	7.47	52.1%
Crude oil transferred to Downstream	6.69	46.6%
Crude oil transferred to Downstream by joint ventures (50%)	-	-
Royalty payments	0.83	5.8%
Crude oil domestic sales	(0.64)	(4.5%)
Total crude oil sales or transfers	14.35	100.0%

	NINE MONTHS ENDED S	
	2002 (MMBBLS)	2002 (%)
Crude oil exports	18.67	50.8%
Crude oil transferred to Downstream	12.51	34.1%
Crude oil transferred to Downstream and exported	-	-
Crude oil transferred to Downstream by joint ventures (50%)	3.06	8.3%

Royalty payments	2.24	6.1%
Crude oil domestic sales	0.26	0.7%
Total crude oil sales or transfers	36.74	100.0%

Total consolidated revenue from crude oil sales amounted to $143.8 million in the third quarter of 2002 and $64.3 million in the third quarter of 2001. The improvement resulted from the increased volumes of sales from 5.1 million barrels at an average price of $12.69 per barrel in the third quarter of 2001 to 7.7 million barrels at an average price of $18.78 per barrel in the third quarter of 2002.

Total consolidated revenue from crude oil sales amounted to $319.6 million in the first nine months of 2002 as compared to $193.3 million in the first nine months of 2001. The increase is due to an improvement in sales volumes from 14.3 million barrels at an average price of $13.48 per barrel in the nine months of 2001 to 21.2 million barrels at an average price of $15.10 per barrel in the period in 2002.

HOP is not expected to export crude oil in 2002.

In the third quarters and nine months of both 2002 and 2001, the crude oil export sales included sales to third parties within Kazakhstan, normally at the rail terminal at Tekesu, adjacent to the Shymkent Refinery. The price achieved for these sales are shown net of a discount to the prevailing Brent at the time of the sale. The discount reflects a number of factors, the most significant of which relates to rail transportation costs. Title to the crude oil passes to the buyer at the point of loading the crude into rail cars. Within the tables noted below, these sales are shown as "Crude sales sold FCA".

In addition, 46% of crude oil export sales made in the third quarter of 2002 were sold on other terms to Black Sea ports and to China. No crude oil was sold on terms other than FCA in the first three quarters of 2001. Under FOB (Free on Board) sales, the Corporation arranges all transportation to the port and assumes the obligations for this transportation. The sale price therefore reflects the Brent price plus or minus a quality differential to the Black Sea Port at the time of sale. With this type of sale, title to the crude does not pass to the buyer until the crude is loaded into an oil tanker in the respective Black Sea Port. Sales contracts were also concluded on DAF (Delivered at Frontier) terms, where title to the crude passes to the buyer at the border and CPT (Carriage paid to) terms where title passes at the final destination. Within the tables below, these sales are shown as "Crude sales sold FOB".

Total revenue can be analysed as follows:

CRUDE OIL REVENUE	THREE MONTHS ENDED SEPTEMBER 30, 2002		
	QUANTITY SOLD IN (MMBBLS)	NET REALIZED PRICE ($ PER BBL)	REVENUE ($000'S)

Crude sales sold FCA	2.89	15.36	44,397
Crude sales sold FOB	3.44	22.42	77,124
Kazgermunai export sales	1.14	15.11	17,225
Royalty payments	0.83	10.84	8,995
Crude oil domestic sales	(0.64)	6.13	(3,921)
Total	7.66	18.78	143,820

CRUDE OIL REVENUE	THREE MONTHS ENDED SEPTEMBER 30, 2001		
	QUANTITY SOLD IN (MMBBLS)	NET REALIZED PRICE ($ PER BBL)	REVENUE ($000'S)
Crude sales sold FCA	3.65	11.83	43,168
Royalty payments	0.69	12.02	8,294
Kazgermunai export sales	0.53	21.54	11,414
Crude oil domestic sales	0.20	7.34	1,468
Total	5.07	12.69	64,344

CRUDE OIL REVENUE	NINE MONTHS ENDED SEPTEMBER 30, 2002		
	QUANTITY SOLD IN (MMBBLS)	NET REALIZED PRICE ($ PER BBL)	REVENUE ($000'S)
Crude sales sold FCA	11.07	13.19	145,984
Crude sales sold FOB	5.72	22.18	126,851
Kazgermunai export sales	1.88	14.12	26,540
Royalty payments	2.24	8.08	18,102
Crude oil domestic sales	0.26	8.19	2,129
Total	21.17	15.10	319,606

CRUDE OIL REVENUE	NINE MONTHS ENDED SEPTEMBER 30, 2001		
	QUANTITY SOLD IN (MMBBLS)	NET REALIZED PRICE ($ PER BBL)	REVENUE ($000'S)
Crude sales sold FCA	11.25	12.93	145,500

Royalty payments	0.69	12.02	8,293
Kazgermunai export sales	1.74	18.96	32,999
Crude oil domestic sales	0.66	9.92	6,550
Total	14.34	13.48	193,342

The average FCA discount for exports from Shymkent, to Brent crude oil price, for the three quarters of 2002 and 2001 for Hurricane Kumkol Munai OJSC ("HKM") and Turgai sales only, is set out below.

	2002 ($/BBL)	2001 ($/bbl)
Quarter to March 31	11.81	12.50
Quarter to June 30	12.18	11.95
Quarter to September 30	12.28	11.93
Average year to date	12.08	12.13

The deterioration in the FCA differential during the second quarter of 2002 resulted primarily from the movement in the price of Kumkol crude as related to Brent crude. For the third quarter, the deterioration is due to the devaluation of the US dollar to the Swiss Franc as transportation tariffs in Kazakhstan are denominated in Swiss Francs.

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DOWNSTREAM

The comparative numbers in the tables include the first nine months and the third quarter for the years 2002 and 2001 respectively.

The Refinery at Shymkent has a total design operating capacity of 6.6 million tonnes per year or the equivalent of approximately 12.8 mmbbls per quarter. The Refinery operated in the third quarter of 2002 at a reduced capacity level of 52% or 6.7 mmbbls. The comparative numbers for the third quarter of 2001 were 43% or 5.6 mmbbls.

The crude oil feedstock for the Refinery is primarily acquired from Upstream operations but purchases are also made from third parties. The table below sets out the source of purchases and the movement in feedstock supplies.

PURCHASE AND ACQUISITION OF FEEDSTOCK THREE MONTHS ENDED SEPTEMBER 30

	2002 (MMBBLS)	2001 (MMbbls)
Acquired from HKM	6.69	2.95
Purchased from joint ventures (100%)	-	2.59
Purchased from third parties	-	-
Total feedstock acquired	6.69	5.54

	NINE MONTHS ENDED SEPTEMBER 30	
	2002 (MMBBLS)	2001 (MMbbls)
Acquired from HKM	12.51	9.18
Purchased from joint ventures (100%)	6.11	6.73
Purchased from third parties	-	0.36
Total feedstock acquired	18.62	16.27

INVENTORY LEVELS OF FEEDSTOCK	THREE MONTHS ENDED SEPTEMBER 30	
	2002 (MMBBLS)	2001 (MMbbls)
Opening inventory of crude oil feedstock	0.08	0.16
Purchase and acquisition of feedstock	6.69	5.54
Recoverable feedstock from traps	-	-
Feedstock sold for export	-	-
Feedstock refined into product	(6.69)	(5.56)
Closing inventory of feedstock	0.08	0.14

	NINE MONTHS ENDED SEPTEMBER 30	
	2002 (MMBBLS)	2001 (MMbbls)
Opening inventory of crude oil feedstock	0.34	0.08
Purchase and acquisition of feedstock	18.62	16.27

Recoverable feedstock from traps	0.04	0.02
Feedstock sold for export	-	(0.15)
Feedstock refined into product	(18.92)	(16.08)
Closing inventory of feedstock	0.08	0.14

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In addition to acquiring feedstock to refine into products, the Refinery from time to time acquires refined product for resale. The table below sets out the movement in inventory of refined product.

INVENTORY MOVEMENT OF REFINED PRODUCT	THREE MONTHS ENDED SEPTEMBER 30	
	2002 (MM TONNES*)	2001 (MM tonnes*)
Opening inventory of refined product	0.16	0.11
Refined product from feedstock	0.81	0.67
Refined product acquired	0.03	-
Refined product sold	(0.87)	(0.66)
Refined product internal use & yield losses	-	-
Closing inventory of refined product	0.13	0.12

* The inventory of products represents a mix of products for which no unique conversion from barrels to tonnes exists. The standard conversion used for crude oil by the Corporation is 7.746 barrels to the tonne.

INVENTORY MOVEMENT OF REFINED PRODUCT	NINE MONTHS ENDED SEPTEMBER 30	
	2002 (MM TONNES*)	2001 (MM tonnes*)
Opening inventory of refined product	0.21	0.13
Refined product from feedstock	2.29	1.96
Refined product acquired	0.09	0.08
Refined product sold	(2.44)	(2.03)
Refined product internal use & yield losses	(0.02)	(0.02)
Closing inventory of refined product	0.13	0.12

* The inventory of products represents a mix of products for which no unique

conversion from barrels to tonnes exists. The standard conversion used for crude oil by the Corporation is 7.746 barrels to the tonne.

The feedstock is refined into a number of products sold to derive the revenue of refined products. Refined product sales revenue for the third quarter of 2002 were $101 million and for the third quarter of 2001 $90 million.

The table below sets out product sold for the nine months and third quarters of 2002 and 2001, the average price achieved and the total refined products revenue.

REFINED PRODUCT REVENUE — THREE MONTHS ENDED SEPTEMBER 30, 2002

PRODUCT PRODUCED	TONNES SOLD	AVERAGE PRICE ($/TONNE)	REVENUE ($000'S)
Gasoline	185,886	178.29	33,141
Diesel	313,341	126.30	39,575
Heavy fuel oil (Mazut)	250,212	49.31	12,339
LPG	30,117	78.06	2,351
Jet fuel	57,636	206.66	11,911
Total self refined	837,192	118.63	99,317
Resale of purchased refined products	36,203	47.34	1,714
Total refined product sales	873,395	115.68	101,031

REFINED PRODUCT REVENUE — THREE MONTHS ENDED SEPTEMBER 30, 2001

PRODUCT PRODUCED	TONNES SOLD	AVERAGE PRICE ($/TONNE)	REVENUE ($000'S)
Gasoline	166,064	221.11	36,719
Diesel	211,246	169.35	35,774
Heavy fuel oil (Mazut)	220,292	44.79	9,867
LPG	32,443	89.66	2,909
Jet fuel and kerosene	20,263	228.00	4,620
Total self refined product	650,308	138.22	89,889
Resale of purchased refined products	1,333	66.02	88
Total refined product sales	651,641	138.08	89,977

REFINED PRODUCT REVENUE	NINE MONTHS ENDED SEPTEMBER 30, 2002		
PRODUCT PRODUCED	TONNES SOLD	AVERAGE PRICE ($/TONNE)	REVENUE ($000'S)
Gasoline	571,753	134.80	77,075
Diesel	760,029	117.85	89,569
Heavy fuel oil (Mazut)	786,785	39.96	31,443
LPG	86,607	74.88	6,485
Jet fuel	142,241	213.87	30,421
Total self refined	2,347,415	100.11	234,993
Resale of purchased refined products	89,025	61.59	5,483
Total refined product sales	2,436,440	98.70	240,476

REFINED PRODUCT REVENUE	NINE MONTHS ENDED SEPTEMBER 30, 2001		
PRODUCT PRODUCED	TONNES SOLD	AVERAGE PRICE ($/TONNE)	REVENUE ($000'S)
Gasoline	453,923	205.49	93,277
Diesel	819,848	82.35	67,511
Heavy fuel oil (Mazut)	270,879	53.70	14,545
LPG	386,834	181.83	70,338
Jet fuel and kerosene	38,652	234.71	9,072
Total self refined product	1,970,136	129.30	254,763
Resale of purchased refined products	69,628	144.07	10,031
Total refined product sales	2,039,764	129.81	264,774

In addition to revenue generated from the refining and sale of product derived from acquired feed stock, the Refinery also refined crude on behalf of third parties for which it derives a fee. During the third quarter 2002 the Refinery tolled 0.4 million barrels for third parties (1.7 million barrels in the third quarter of 2001). Third party tolling volumes decreased in 2002 as crude producers elected to export their volumes.

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The table below sets out the total quantity of oil processed into product and the average fee charged.

2002

	TOLLER'S VOLUMES PROCESSED (TONNES)	PROCESSING FEE ($/TONNE)	PROCESSING FEES EARNED ($000'S)
FIRST QUARTER 2002	91,521	15.64	1,431
SECOND QUARTER 2002	-	-	3
THIRD QUARTER 2002	43,713	15.51	678

2001

	TOLLER'S VOLUMES PROCESSED (TONNES)	PROCESSING FEE ($/TONNE)	PROCESSING FEES EARNED ($000'S)
First quarter 2001	214,526	16.31	3,498
Second quarter 2001	109,018	16.99	1,852
Second quarter 2001	216,247	14.91	3,224

PRODUCTION EXPENSES

Production expenses relate to the cost of producing crude oil in the Upstream operations and were $15.3 million in the third quarter of 2002 compared to $10.4 million in the third quarter of 2001 ($41.7 million in nine months of 2002 and $29.7 million in nine months of 2001). Based on the number of barrels of oil produced, these costs are $1.16 per barrel for the third quarter 2002 and $1.08 per barrel for the third quarter 2001 ($1.19 per barrel for nine months of 2002 and $1.11 per barrel for nine months of 2001).

The absolute increase in cost between the third quarter 2002 and the similar period in 2001 resulted from the increase in production of 8.3 million barrels volumes for the nine months ended September 30, 2002 or 31% and an increase of 3.6 million barrels or 37% for the third quarter of 2002 as compared to 2001. There was also additional maintenance services required due to increasing production of formation water.

ROYALTIES AND TAXES

The royalty expense for the third quarter of 2002 was $16.0 million, which represented an effective overall percentage of 10.6%. For the third quarter of 2001 royalty expense was $12.6 million and the overall percentage was 11.0%.

The royalty expense for the nine months of 2002 was $31.5 million, which represented an effective overall percentage of 8.6%. For the nine months of 2001 royalty expense was $27.5 million and the overall percentage was 8.3%.

In all cases the royalty rate is based on the levels of production.

The table below indicates the royalty paid in kind and cash in the first, second and the third quarter of 2002 and 2001 ($000's).

Quarter ending	2002 ROYALTY IN KIND	2002 CASH ROYALTY	2002 TOTAL ROYALTY	2001 Royalty in Kind	2001 Cash Ro
March 31	2,972	3,738	6,710	-	5,58
June 30	7,456	1,295	8,751	6,680	2,63
September 30	12,723	3,320	16,043	11,103	1,49
Total Royalty	23,151	8,353	31,504	17,783	9,71

The total royalty and tax expense for the third quarter of 2002 was $21.5 million compared to $14.5 million for the third quarter of 2001. Other taxes incurred by the Corporation in the third quarter of 2002 amounted to $5.5 million ($1.9 million in the third quarter of 2001), of which $3.7 million is excise taxes paid on refined products.

For the nine months of 2002 these other taxes were $12.2 million ($3.2 million in nine months of 2001), out of which $5.1 million relates to tax assessments as more fully described in Note 12 of the consolidated interim financial statements.

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TRANSPORTATION COSTS

Transportation costs are made up of the costs of shipping crude oil from the central processing facility located at the Kumkol South Field (the "CPF") to the Shymkent Refinery, the costs of trucking crude oil from the QAM Fields to the CPF and railway transportation from the Shymkent Refinery under FOB and DAF sales contracts. Transportation costs also include transportation of crude produced by our Kazgermunai joint venture to its export customers.

The pipeline tariff from the CPF to Shymkent depends on the ultimate destination of the crude oil. The tariff charged in respect of crude oil destined for export is $1.41 per barrel, whereas the cost related to crude oil processed in the Refinery is $0.84 per barrel.

The table below sets out the constituent components of transportation costs.

	THIRD QUARTER 2002 ($000'S)	Third quarter 2 ($000's)
Pipeline costs	16,020	9,273
Kazgermunai transportation costs	2,888	2,469
Railway transportation	29,427	582

Other related transportation costs	1,859	-
Total	50,194	12,324

	NINE MONTHS OF 2002 ($000'S)	Nine months of ($000's)
Pipeline costs	39,923	26,255
Kazgermunai transportation costs	5,611	6,381
Railway transportation	50,743	1,582
Other related transportation costs	3,854	-
Total	100,131	34,218

The absolute increase in pipeline costs is due to the increased volumes of crude oil sold in 2002 versus 2001 for export, which attracts a higher tariff. For the three months ended September 30, 2002 exports volumes were 3.3 million barrels or 79% higher than for the corresponding period in 2001. For the nine months ended September 30, 2002 export volumes were 5.8 million barrels or 45% higher than the corresponding period of 2001. Railway transportation increased as compared to 2001 for the three and nine months period ending September 30, 2002 due to the shift to FOB/DAF sales. Other related transportation costs are mainly trucking costs incurred to transport the QAM field crude oil to the central processing facility located at Kumkol.

REFINING COSTS

Refining costs represent the direct costs related to processing all crude oil including tollers' volumes. The total refining costs in the third quarter of 2002 were $5.3 million or $0.75 per barrel of crude oil processed. For the third quarter of 2001 the costs were $4.7 million or $0.65 per barrel. The comparative amounts for the nine months 2002 and 2001 were $17.6 million ($0.88 per barrel) and $14.6 million ($0.71 per barrel), respectively.

The increase on a per barrel basis was brought about by the reclassification of the cost of tolling from crude oil and refined product purchases to refining cost, which accounted for $1.3 million of the increase between quarters and $3.3 million of the increase between the 9 month periods.

CRUDE OIL AND REFINED PRODUCT PURCHASES

Crude oil and refined product purchases represent the cost of purchasing crude oil for the Refinery from third parties, as well as refined product for resale. The decrease for the quarter and the nine-month period as compared to the same periods for 2001 are a result of the reclassification of domestic sales as previously described, a decrease in volumes purchased from third parties and the reclassification of tolling costs from Crude oil and refined product purchases to refining costs as described in the section entitled Refining Costs.

SELLING EXPENSES

Selling expenses in the third quarter of 2002 were $8.1 million compared to $4.5 million in the third quarter of 2001 and $18.7 million for the nine months of 2002 compared to $15.1 million for the similar period of 2001.

The absolute increase in the third quarter and in the first nine months of 2002 compared to the same periods in 2001 is the direct result of increased sales volumes. The Corporation sold 15.3 million barrels of crude and refined products during the third quarter of 2002 (10.1 million barrels in the third quarter of 2001) and 41.5 million barrels of crude and refined products during the first nine months of 2002 (30.2 million barrels in the first nine months of 2001).

GENERAL AND ADMINISTRATIVE

The table below analyzes total general and administrative costs between Upstream, Downstream and Corporate. In the case of Upstream and Downstream the general and administrative costs are also reflected on a per barrel basis.

THIRD QUARTER 2002

	GENERAL AND ADMINISTRATIVE ($000'S)	PER BARREL OF OIL PRODUCED OR PROCESSED* ($/BBL)
Upstream	8,820	0.67
Downstream	4,391	0.62
Corporate	1,229	
Total	14,440	

THIRD QUARTER 2001

	General and Administrative ($000's)	Per barrel of oil produced or processed* ($/bbl)
Upstream	5,172	0.54
Downstream	6,405	0.89
Corporate	1,218	
Total	12,795	

* Including toller's volumes

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NINE MONTHS OF 2002

	GENERAL AND ADMINISTRATIVE ($000'S)	PER BARREL OF OIL PRODUCED OR PROCESSED* ($/BBL)
Upstream	24,985	0.71
Downstream	11,815	0.59
Corporate	5,470	
Total	42,270	

NINE MONTHS OF 2001

	General and Administrative ($000's)	Per barrel of oil produced or processed* ($/bbl)
Upstream	17,501	0.66
Downstream	14,792	0.73
Corporate	3,062	
Total	35,355	

* Including toller's volumes

The increase in the third quarter of 2002 of $1.6 million and $6.9 million for the nine months ending September 30, 2002 as compared to the same periods in 2001 is due to the increased activity in upstream operations. There has also been a change in 2002 in the method of allocating centrally incurred general and administrative costs whereby a higher percentage of costs are allocated to upstream.

NET BACK ANALYSIS

Set out below are the details of the average net back achieved in the third quarter of 2002 and nine months of 2002 for export sales and sales derived from the refining of the Company's own crude.

THIRD QUARTER 2002

	CRUDE OIL EXPORTS ($/BBL)	OWN CRUDE OIL REFINED AND SOLD ($/BBL)
Net sales price achieved	18.58	15.32
Transportation expense	(5.95)	(1.05)
Production and Refining costs	(1.16)	(1.91)
Royalty	(1.60)	(1.66)
Selling Costs	(0.48)	(0.74)
General and Administrative costs	(0.67)	(1.29)
Tax expense	(2.53)	(3.01)
Net Back	6.19	5.66

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NINE MONTHS OF 2002

	CRUDE OIL EXPORTS ($/BBL)	OWN CRUDE OIL REFINED AND SOLD ($/BBL)
Net sales price achieved	16.03	12.92
Transportation expense	(4.55)	(1.02)
Production and Refining costs	(1.19)	(2.07)
Royalty	(1.24)	(1.25)
Selling Costs	(0.21)	(0.78)
General and Administrative costs	(0.71)	(1.30)
Tax expense	(1.52)	(2.30)
Net Back	6.61	4.20

DEPRECIATION, DEPLETION AND AMORTIZATION

Depreciation and depletion has increased by $2.6 million in the third quarter of 2002 compared to the same period in 2001 (or by $4.4 million in the nine months of 2002 compared to the same period in 2001). This increase is due to the increase in production as compared to 2001 and capital additions in 2002. The effect of these increases was partly offset by the increase in proved producing reserves.

THIRD QUARTER 2002

	DD&A ($000'S)	DD&A ($/BBL*)
Upstream	8,351	0.63
Downstream	3,311	0.47
Corporate	24	
Total	11,686	

*Downstream includes toller's volumes

THIRD QUARTER 2001

	DD&A ($000's)	DD&A ($/bbl*)
Upstream	6,397	0.67
Downstream	2,424	0.33
Corporate	220	
Total	9,041	

*Downstream includes toller's volumes

NINE MONTHS OF 2002

	DD&A ($000'S)	DD&A ($/BBL*)
Upstream	20,163	0.58
Downstream	8,831	0.44
Corporate	70	
Total	29,064	

*Downstream includes toller's volumes

NINE MONTHS OF 2001

	DD&A ($000's)	DD&A ($/bbl*)
Upstream	17,167	0.64
Downstream	7,171	0.35
Corporate	280	
Total	24,618	

*Downstream includes toller's volumes

In accordance with Canadian and United States accounting standards, and to provide comfort that anticipated future revenues are sufficient to cover the capitalised costs of properties, the Corporation performs a quarterly "ceiling test". The ceiling test for the quarter ended September 30, 2002 demonstrated that future net revenues exceed the carrying value of the Upstream properties under the full cost method of accounting.

TAXATION

The Corporation is subject to a number of taxes in Kazakhstan including, but not limited to, income taxes, excess profits taxes, excise taxes, land taxes, property taxes, transportation taxes, and mandatory contributions to social funds. Income is taxed at the Kazakhstani statutory rate of 30%. Excess profit taxes have been negotiated with the Kazakhstani government in each hydrocarbon contract. With respect to the Kumkol South, South Kumkol and QAM fields, the Corporation is subject to excess profit tax at rates that vary from 0 to 30% based on the cumulative internal rate of return. With respect to Kumkol North (Turgai), the Corporation is subject to excess profit tax at rates that vary from 0% to 50% based on the cumulative internal rate of return. The Corporation has not incurred any excess profit tax with respect to production from any of its fields and does not expect to incur a liability for excess profit tax in 2002.

The Corporation is subject to excise tax on its domestic sales in Kazakhstan, for crude oil from the South Kumkol field, at a rate of 7 euros per tonne and Maybulak at a rate of 2 euros per tonne and from sales of gasoline at a rate of $29.1 per tonne and for diesel at a rate of $3.2 per tonne.

Within the license agreements for the Corporation's Upstream oil licenses are tax stability clauses that establish the tax regimes under which the Corporation operates. These are fixed as of the date of signing the agreement and remain in effect for the term of the agreement.

The total income tax charges for 2002 and 2001 are set out below.

	THIRD QUARTER 2002 ($000'S)	Third quarter 2001 ($000's)

Upstream	33,120	7,489
Downstream	3,638	13,191
Corporate	1,806	186
Total	38,564	20,866

	NINE MONTHS 2002 ($000'S)	Nine months 2001 ($000's)
Upstream	53,120	21,031
Downstream	15,727	41,472
Corporate	2,171	1,175
Total	71,018	63,678

Upstream tax charges have increased due to the increase in sales volumes and in the price of crude oil.

The corporate tax expense relates mainly to taxes paid by Hurricane Overseas Services, the company that provides services to the operating subsidiaries in Kazakhstan.

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CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents as at September 30, 2002 is $21.3 million held by the joint ventures.

CAPITAL EXPENDITURES

The table below provides a breakdown of capital expenditures in 2002 and 2001.

	THIRD QUARTER 2002 ($000'S)	Third quarter 2001 ($000's)
Upstream		
Development wells	3,637	3,136
Facilities and equipment	33,277	23,632
Exploration	8,513	3,069
Downstream		
Refinery HS&E	156	95

Refinery sustaining	653	450
Refinery return projects	650	446
Marketing & other	1,109	50
Corporate	61	400
Total Capital Expenditures	48,056	31,278

	NINE MONTHS 2002 ($000'S)	Nine months 2001 ($000's)
Upstream		
Development wells	10,860	5,681
Facilities and equipment	67,090	41,208
Exploration	16,931	5,233
Downstream		
Refinery HS&E	627	294
Refinery sustaining	877	1,342
Refinery return projects	1,920	701
Marketing & other	3,037	356
Corporate	217	400
Total Capital Expenditures	101,559	55,215

MANAGING LIQUIDITY AND CAPITAL RESOURCES

The levels of cash, current assets and current liabilities at the balance sheet dates for the quarters ended September 30 of 2002, June 30, 2002 and March 31, 2002 and year ended December 31, 2001 are set out below.

	AS AT SEPTEMBER 30, 2002 ($000'S)	AS AT JUNE 30, 2002 ($000'S)	AS AT MARCH 31, 2002 ($000'S)
Cash and cash equivalents	162,246	131,322	99,941
Total current assets (excluding cash)	171,308	133,203	130,068
Total current liabilities	164,792	109,447	115,203

Working capital excluding cash and short term debt as at September 30, 2002 was $81.8 million ($74.4 million as at June 30, 2002). The increase is due to the move to FOB/DAF sales, whereby customers pay after the crude oil is delivered and the Corporation pays the transportation charges in advance. Please refer to notes 3 and 4 of the consolidated interim financial statements.

INTERIM CONSOLIDATED STATEMENTS OF INCOME AND DEFICIT
(EXPRESSED IN THOUSANDS OF UNITED STATES DOLLARS)
UNAUDITED

	9 MONTHS ENDED SEPT. 30, 2002	3 MONTHS ENDED SEPT. 30, 2002	9 MO END SEPT. 30
REVENUE			
Crude oil	319,606	143,820	193,
Refined products	240,476	101,031	264,
Processing fees	2,112	678	8,
Interest and other income	6,497	2,433	8,
	568,691	247,962	474,
EXPENSES			
Production	41,669	15,256	29,
Royalties and taxes	43,709	21,538	30,
Transportation	100,131	50,194	34,
Refining	17,607	5,280	14,
Crude oil and refined product purchases	50,414	11,765	60,
Selling	18,724	8,102	15,
General and administrative	42,270	14,440	35,
Interest and financing costs	26,078	8,828	12,
Depletion and depreciation	29,064	11,686	24,
Foreign exchange loss (gain)	1,771	1,362	
	371,437	148,451	257,
INCOME BEFORE UNUSUAL ITEMS	197,254	99,511	217,
UNUSUAL ITEMS			
Arbitration settlement	7,134	43	
Defense costs related to potential takeover bid	-	-	6,
INCOME BEFORE INCOME TAXES	190,120	99,468	211,
INCOME TAXES (Note 11)			
Current provision	64,706	36,358	67,
Future income tax	6,312	2,206	(3,
	71,018	38,564	63,
NET INCOME BEFORE MINORITY INTEREST	119,102	60,904	147,
MINORITY INTEREST	1,672	391	1,
NET INCOME	117,430	60,513	146,
RETAINED EARNINGS, (DEFICIT), BEGINNING OF PERIOD	(66,366)	(9,465)	(18,

Purchase of common shares (Note 10)	(2,164)	(2,164)	
Common share dividends	-	-	(209,
Preferred share dividends	(23)	(7)	
RETAINED EARNINGS, (DEFICIT), END OF PERIOD	48,877	48,877	(82,
BASIC NET INCOME PER SHARE (Note 14)	1.45	0.74	1
DILUTED NET INCOME PER SHARE (Note 14)	1.39	0.71	1

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INTERIM CONSOLIDATED BALANCE SHEETS
(EXPRESSED IN THOUSANDS OF UNITED STATES DOLLARS)
UNAUDITED

	AS AT SEPTEMBER 30, 2002	AS AT DECEMBER 31, 2001
ASSETS		
CURRENT		
Cash and cash equivalents	162,246	64,812
Accounts receivable (Note 4)	81,907	52,287
Inventory	30,353	29,946
Prepaids (Note 5)	52,174	17,319
Current portion of future income tax asset	6,874	5,766
	333,554	170,130
Long term investments	-	40,000
Future income tax asset	20,891	29,444
Capital assets	382,939	332,896
TOTAL ASSETS	737,384	572,470
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 7)	78,205	48,758
Short term debt (Note 8)	75,278	52,557
Prepayments for crude oil and refined products	11,309	7,422
	164,792	108,737
Long-term debt (Note 9)	293,197	277,767
Provision for future site restoration costs	3,904	3,148
Future income tax liability	17,826	24,988

	479,719	414,640
Minority interest	10,357	25,599
Preferred shares of subsidiary	85	91
COMMITMENTS AND CONTINGENCIES (Note 13)		
SHAREHOLDERS' EQUITY		
Share capital (Note 10)	198,346	198,506
Retained earnings, (Deficit)	48,877	(66,366)
	247,223	132,140
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	737,384	572,470

APPROVED BY THE BOARD OF DIRECTORS

(signed)	(signed)
BERNARD ISAUTIER	ROBERT KAPLAN
Director	Director

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INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW
(EXPRESSED IN THOUSANDS OF UNITED STATES DOLLARS)
UNAUDITED

	9 MONTHS ENDED SEPT. 30, 2002	3 MONTHS ENDED SEPT. 30, 2002	9 MO END SEPT. 30
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Net income	117,430	60,513	146,
Items not affecting cash:			
Depletion and depreciation	29,064	11,686	24,
Other non-cash charges	3,739	3,111	(1,
Minority interest	1,672	391	1,
Future income tax	6,312	2,206	(3,
Cash flow	158,217	77,907	167,
Changes in non-cash operating working capital items (Note 15)	(31,548)	(6,033)	(47,
Cash flow from operating activities	126,669	71,874	119,

FINANCING ACTIVITIES			
Short term debt	18,721	12,659	49,
Common share dividends	-	-	(31,
Redemption of series 5 warrants	-	-	(9,
Long term debt (Note 15)	18,811	244	(38,
Proceeds from issue of share capital, net of share issuance costs	740	127	
Shares repurchased (Note 10)	(3,066)	(3,066)	
Preferred share dividends	(23)	(7)	
Funds provided by (used for) financing	35,183	9,957	(29,
INVESTING ACTIVITIES			
Long-term investment	40,000	-	
Capital additions	(101,559)	(48,055)	(50,
Purchase of preferred shares of subsidiary	(2,859)	(2,852)	
Funds provided by (used for) investing	(64,418)	(50,907)	(50,
INCREASE IN CASH	97,434	30,924	39,
CASH AND CASH EQUIVALENTS POSITION, BEGINNING OF PERIOD	64,812	131,322	59,
CASH AND CASH EQUIVALENTS POSITION, END OF PERIOD	162,246	162,246	99,

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NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN UNITED STATES DOLLARS, TABULAR AMOUNTS IN THOUSANDS OF DOLLARS) UNAUDITED

1 SIGNIFICANT ACCOUNTING POLICIES

The Interim Consolidated Financial Statements of Hurricane Hydrocarbons LTD. ("Hurricane" or the "Corporation") have been prepared by management in accordance with generally accepted accounting principles in Canada. Certain information and disclosures normally required to be included in the notes to the annual financial statements has been omitted or condensed. The Interim Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and the notes thereto in Hurricane's Annual Report for the year ended December 31, 2001. The accounting principles applied are consistent with those as set out in the corporation's annual financial statements for the year ended December 31, 2001, except as described in Note 10.

2 SEGMENTED INFORMATION

	9 MONTHS ENDED SEPTEMER 30		
	UPSTREAM	DOWNSTREAM	CORPORATE SERVICES
REVENUE			
Crude oil	319,606	-	-
Refined products	91,850	148,626	-
Processing fees	-	2,112	-
Interest and other income	4,443	755	1,299
	415,899	151,493	1,299
EXPENSES			
Production	41,669	-	-
Royalties and taxes	43,557	152	-
Transportation	100,131	-	-
Refining	-	17,607	-
Crude oil and refined products purchases	20,806	29,608	-
Selling	7,404	11,320	-
General and administrative	24,985	11,815	5,470
Interest and financing costs	6,295	1,165	18,618
Depletion and depreciation	20,163	8,831	70
Foreign exchange loss (gain)	884	760	127
	265,894	81,258	24,285
INCOME BEFORE UNUSUAL ITEMS	150,005	70,235	(22,986)
UNUSUAL ITEM			
Arbitration settlement	7,134	-	-
INCOME BEFORE INCOME TAXES	142,871	70,235	(22,986)
INCOME TAXES			
Current provision	48,000	14,535	2,171
Future income tax	5,369	943	-
	53,369	15,478	2,171
MINORITY INTEREST	-	1,672	-
NET INCOME	89,502	53,085	(25,157)
INTERSEGMENT REVENUE	71,460	35,144	-

Included in the upstream crude oil revenue, for the nine months ended September 30, 2002, is sales to one external customer in the amount of $90.8 million.

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3 MONTHS ENDED SEPTEMBER 3

	UPSTREAM	DOWNSTREAM	CORPORATE SERVICES
REVENUE			
Crude oil	143,820	-	-
Refined products	63,695	37,336	-
Processing fees	-	678	-
Interest and other income	1,706	425	302
	209,221	38,439	302
EXPENSES			
Production	15,256	-	-
Royalties and taxes	21,137	401	-
Transportation	50,194	-	-
Refining	-	5,280	-
Crude oil and refined products purchases	9,625	2,140	-
Selling	6,267	1,835	-
General and administrative	8,820	4,391	1,229
Interest and financing costs	2,024	489	6,315
Depletion and depreciation	8,351	3,311	24
Foreign exchange (gain) loss	496	801	65
	122,170	18,648	7,633
INCOME BEFORE UNUSUAL ITEMS	87,051	19,791	(7,331)
UNUSUAL ITEM			
Arbitration settlement	43	-	-
INCOME BEFORE INCOME TAXES	87,008	19,791	(7,331)
INCOME TAXES			
Current provision	28,959	5,593	1,806
Future income tax	4,410	(2,204)	-
	33,369	3,389	1,806
MINORITY INTEREST	-	391	-
NET INCOME	53,639	16,011	(9,137)
INTERSEGMENT REVENUE	17,211	5,945	-

Included in the upstream crude oil revenue, for the three months ended September 30, 2002, is sales to one external customer in the amount of $28.1 million.

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9 MONTHS ENDED SEPTEMBER 3

	UPSTREAM	DOWNSTREAM	CORPORATE

			SERVICES
REVENUE			
Crude oil	191,318	2,024	-
Refined products	7,916	256,858	-
Processing fees	-	8,623	-
Interest and other income	6,893	662	539
	206,127	268,167	539
EXPENSES			
Production	29,681	-	-
Royalties and taxes	30,748	-	-
Transportation	34,218	-	-
Refining	-	14,606	-
Crude oil and refined products purchases	-	60,862	-
Selling	4,333	10,724	-
General and administrative	17,501	14,792	3,062
Interest and financing costs	6,137	814	5,175
Depletion and depreciation	17,167	7,171	280
Foreign exchange loss (gain)	438	319	(322)
	140,223	109,288	8,195
INCOME BEFORE UNUSUAL ITEMS	65,904	158,879	(7,656)
UNUSUAL ITEM			
Defense costs related to potential takeover bid	-	-	6,000
INCOME BEFORE INCOME TAXES	65,904	158,879	(13,656)
INCOME TAXES			
Current provision	55,001	11,202	1,174
Future income tax	(33,969)	30,270	-
	21,032	41,472	1,174
MINORITY INTEREST	-	1,153	-
NET INCOME	44,872	116,254	(14,830)
INTERSEGMENT REVENUE	143,291	13,026	-

Included in the upstream crude oil revenue, for the nine months ended September 30, 2001, is sales to one external customer in the amount of $80 million.

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	3 MONTHS ENDED SEPTEMBER 3		
	UPSTREAM	DOWNSTREAM	CORPORATE SERVICES

REVENUE			
Crude oil	64,359	(15)	-
Refined products	5,899	84,078	-
Processing fees	-	3,273	-
Interest and other income	2,349	77	723
	72,607	87,413	723
EXPENSES			
Production	10,404	-	-
Royalties and taxes	14,461	-	-
Transportation	12,324	-	-
Refining	-	4,709	-
Crude oil and refined products purchases	-	18,662	-
Selling	1,225	3,303	-
General and administrative	5,172	6,405	1,218
Interest and financing costs	1,939	464	3,370
Depletion and depreciation	6,397	2,424	220
Foreign exchange loss (gain)	(110)	(124)	17
	51,812	35,843	4,825
INCOME BEFORE UNUSUAL ITEMS	20,795	51,570	(4,102)
UNUSUAL ITEM			
Defense costs related to potential takeover bid	-	-	-
INCOME BEFORE INCOME TAXES	20,795	51,570	(4,102)
INCOME TAXES			
Current provision	16,188	6,618	186
Future income tax	(8,699)	6,573	-
	7,489	13,191	186
MINORITY INTEREST	-	907	-
NET INCOME	13,306	37,472	(4,288)
INTERSEGMENT REVENUE	44,273	8,927	-

Included in the upstream crude oil revenue, for the three months ended September 30, 2001, is sales to one external customer in the amount of $26.7 million.

	AS AT SEPTEMBER 30, 2002		
	UPSTREAM	DOWNSTREAM	CORPORATE SERVICES
Total assets	494,809	132,353	110,222
Liabilities	225,675	39,443	214,601
Capital additions	94,885	212	6,462

	AS AT DECEMBER 31, 2001		
	UPSTREAM	DOWNSTREAM	CORPORATE SERVICES
Total assets	344,176	191,955	36,339
Liabilities	162,543	50,288	201,809
Capital additions	91,957	10,046	729

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3 JOINT VENTURES

The Corporation has the following interests in two joint ventures:

a) 50% equity shareholding with equivalent voting power in CJSC Turgai Petroleum ("Turgai"), formerly Kumkol Lukoil CJSC, which operates the northern part of the Kumkol field in Kazakhstan.

b) 50% equity shareholding with equivalent voting power in LLP Kazgermunai ("Kazgermunai"), which operates three oil fields in Kazakhstan: Akshabulak, Nurali and Aksai.

The following amounts are included in the Corporation's financial statements as a result of the proportionate consolidation of its joint ventures:

	9 MONTHS ENDED SEPTEMBER 30, 2002		
	TURGAI	KAZGERMUNAI	TOTAL
Cash	3,863	17,465	21,328
Current assets, excluding cash	11,620	14,942	26,562
Capital assets, net	24,583	57,021	81,604
Current liabilities	13,069	5,167	18,236
Long term debt	-	62,684	62,684
Revenue	52,795	33,022	85,817
Expenses	31,303	26,473	57,776
Net income	21,492	6,549	28,041
Cash flow from (used in) operating activities	9,766	11,616	21,382
Cash flow from financing activities	-	1,617	1,617
Cash flow used in investing activities	(7,402)	(7,284)	(14,686)

3 MONTHS ENDED SEPTEMBER 30, 2002

	TURGAI	KAZGERMUNAI	TOTAL
Revenue	22,209	17,767	39,976
Expenses	13,160	12,687	25,847
Net income	9,049	5,080	14,129
Cash flow from (used in) operating activities	5,383	12,713	18,096
Cash flow from financing activities	-	243	243
Cash flow used in investing activities	(3,132)	(4,395)	(7,527)

The crude oil sales for the nine months ended September 30, 2002 includes $15.5 million and $21.6 million of crude oil sales made by Turgai Petroleum to HOP & HKM respectively and $5.8 million of crude oil sales made by Kazgermunai to HOP.

The crude oil sales for the three months ended September 30, 2002 includes $14.5 million of crude oil sales made by Turgai to HKM.

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	9 MONTHS ENDED SEPTEMBER 30, 2001		
	TURGAI	KAZGERMUNAI	TOTAL
Cash	5,320	11,516	16,836
Current assets, excluding cash	41,853	12,193	54,046
Capital assets, net	12,086	56,017	68,103
Current liabilities	7,143	8,782	15,925
Long term debt	-	61,729	61,729
Revenue	52,618	37,751	90,369
Expenses	19,963	30,313	50,276
Net income	32,655	7,438	40,093
Cash flow from operating activities	7,384	15,818	23,202
Cash flow used in financing activities	(18,000)	(20,318)	(38,318)
Cash flow used in investing activities	(5,145)	(2,639)	(7,784)

	3 MONTHS ENDED SEPTEMBER 30, 2001		
	TURGAI	KAZGERMUNAI	TOTAL
Revenue	19,729	14,167	33,896
Expenses	9,404	11,239	20,643
Net income	10,325	2,928	13,253
Cash flow from (used in) operating activities	4,502	8,729	13,231
Cash flow used in financing activities	(7,500)	1,086	(6,414)
Cash flow used in investing activities	(3,041)	(1,623)	(4,664)

The crude oil sales for the nine months ended September 30, 2001 includes

$41.2 million of crude oil sales made by Turgai to HOP and $1.2 million of crude oil sales made by Kazgermunai to HOP

The crude oil sales for the three months ended September 30, 2001 includes $15.4 million of crude oil sales made by Turgai to HOP and $1.2 million of crude oil sales made by Kazgermunai to HOP.

4 ACCOUNTS RECEIVABLE

	SEPT. 30, 2002	DECEMBER 31, 2001
Trade accounts receivable	65,903	25,930
Value added tax recoverable	384	10,153
Withholding tax recoverable	5,000	5,000
Other receivables	10,620	11,204
	81,907	52,287

5 PREPAIDS

	SEPT. 30, 2002	DECEMBER 31, 2001
Advances for services and equipment	18,971	14,788
Prepayment of transportation for FOB sales	29,313	1,104
Prepayment for pipeline tariff	3,890	1,427
	52,174	17,319

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6 ACQUISITION OF OJSC SHYMKENTNEFTEORGSYNTEZ ("SHNOS")

During the third quarter of 2002, the Corporation acquired a further 5.6% of the issued common shares of ShNOS now known as Hurricane Oil Products (HOP) for cash consideration of $2.8 million.

The following table sets out the accounting for the transaction:

Minority interest purchased	16,914
Reduction of fixed assets	(20,087)
Future income tax liability	6,026
Cash consideration	2,853

7 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	SEPT. 30, 2002	DECEMBER 31, 2001
Trade accounts payable	42,472	38,258
Crude royalties payable	15,777	7,312
Accrued income taxes payable	17,549	1,823
Others	2,407	1,365
	78,205	48,758

8 SHORT TERM DEBT

	SEPT. 30, 2002	DECEMBER 31, 2001
Working capital facilities	21,278	42,557
Current portion of term facility	48,000	4,000
Joint venture loan payable	6,000	6,000
	75,278	52,557

9 LONG TERM DEBT

	SEPT. 30, 2002	DECEMBER 31, 2001
12% notes	208,280	190,880
Kazgermunai debt	62,684	61,068
Term facility	12,000	16,000
ShNOS bonds	13,162	13,227
Issue costs	(2,929)	(3,408)
	293,197	277,767

12% NOTES

$18.6 million of the Notes outstanding as at December 31, 2001 were sold during the nine months ended September 30, 2002.

TERM FACILITY

The Corporation entered into a secured, Term Facility for $60 million. The facility will be repaid in fifteen equal monthly installments commencing October 2002 and bears interest at LIBOR plus 3.5%. As at September 30, 2002 the Corporation had drawn $60 million under this facility, $48 million of which is classified as short-term debt as of September 30, 2002.

The issue costs related to the Notes are $1.8 million and are recorded as deferred charges, and are amortized, as well as $0.8 million of deferred charges related to the Term Facility (see below).

REPAYMENT

Long term debt principal repayments due for each of the next five years and in total are as follows:

	2002	2003	2004	2005	2006
12% Notes	-	-	-	-	208,280
Term facility	-	12,000	-	-	-
ShNOS bonds	-	-	13,162	-	-
	-	12,000	13,162	-	208,280

The Kazgermunai debt does not have fixed repayment terms.

INTEREST EXPENSE

Interest expense for the nine months ended September 30, 2002 and three months ended September 30, 2002 was $26.1 million and $8.8 million respectively of which interest related to long term debt was $25.3 million and $8.7 million respectively.

Interest expense for the nine months ended September 30, 2001 and three months ended September 30, 2001 was $12.1 million and $5.8 million respectively of which interest related to long term debt was $10.8 million and $5 million respectively.

10 SHARE CAPITAL

The Corporation maintains an incentive stock option plan ("plan") under which directors, officers and key personnel may be granted options to purchase class A common shares of the Corporation. The Corporation has reserved 8,076,050 class A common shares for issuance upon the exercise of options granted under the terms of the plan. The board of directors determines the exercise price of each option, provided that no option shall be granted with an exercise price at a discount to market. The vesting periods established under the Corporation's stock option plan and the term of the options are set by the board of directors, subject to a maximum term for any option of 10 years.

The Corporation has adopted the recommendations of the Canadian Institute of Chartered Accountants regarding stock based compensation. The Corporation has elected to use the intrinsic value method of accounting for stock options and to disclose the pro forma results of using the fair value method. The new recommendations apply to options granted after January 1, 2002. There have been no stock options granted during the nine month period ended September 30, 2002.

During the third quarter, the Corporation adopted a normal course issuer bid under the rules of the Toronto Stock Exchange to repurchase, for cancellation, up to 5,253,238 common shares during the period from August 7, 2002 to August 6, 2003. As at September 30, 2002, the Corporation had cancelled 366,461 shares at an average price of $13.13 Canadian per share. The excess of cost over the book value for the shares purchased was applied to the retained earnings.

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11 INCOME TAXES

The provision for income taxes differs from the results, which would have been obtained by applying the statutory tax rate of 30% to Hurricane's income before income taxes. This difference results from the following items:

	9 MONTHS ENDED SEPT. 30, 2002	3 MONTHS ENDED SEPT. 30, 2002	9 MONTHS ENDED SEPT. 30, 2001
Income before income tax	190,120	99,468	211,127
Effective Kazakhstan income tax rate	30%	30%	30%
Expected tax expense	57,036	29,840	63,338
Non-deductible amounts, net	11,129	8,724	5,404
Prior year losses carry-forward	-	-	(668)
Future income tax recognised	2,853	-	(4,396)
Income tax expense	71,018	38,564	63,678

12 FINANCIAL INSTRUMENTS

The fair value of current assets and current liabilities approximates their carrying value due to the short-term maturity of these instruments. The fair value of long-term debt also approximates its carrying value.

The Corporation has entered into a commodity-hedging program where it is utilizing derivative instruments to manage the Corporation's exposure to fluctuations in the price of crude oil. The Corporation has entered into the following contracts with major financial institutions.

CONTRACT AMOUNT (BBLS PER MONTH)	CONTRACT PERIOD	CONTRACT TYPE	PRICE CEILI CONTRACTED
166,667	October 2002 to December 2002	Brent IPE futures	25.22
187,500	January 2003 to December 2003	Zero cost collar	29.00
75,000	January 2003 to December 2003	Zero cost collar	30.00
75,000	January 2003 to December 2003	Zero cost collar	29.50

13 COMMITMENTS AND CONTINGENCIES

GOVERNMENT TAXES AND LEGISLATION

The Corporation, through its operating subsidiaries in Kazakhstan, has disputed certain tax assessments for 1998 and 1999 as disclosed in note 16 to the financial statements in the December 31, 2001 Annual Report.

The Corporation has been engaged in two court cases in Kazakhstan pertaining to the disputed assessments. The first involved ShNOS and was for approximately $8.8 million. ShNOS has successfully argued its case at the first level of the court system in Kazakhstan and at the Supreme Court level. There is a possibility that the Ministry of State Revenue may appeal to the ultimate appellate level, the Supervisory Commission of the Supreme Court. No provision has been made in the financial statements for this assessment.

The second case involved HKM and was for a total of approximately $10.5 million including taxes, fines, interest and penalties. HKM was successful at the first level of the court system and was unsuccessful on the majority of the issues at the Supreme Court level. HKM will appeal to the ultimate appellate level, the Supervisory Commission of the Supreme Court. The Corporation has provided for $2.9 million of the $10.5 million in the September 30, 2002 financial statements. The Corporation continues to dispute this assessment, as it believes the tax stability provisions of its Hydrocarbons Contract establish that HKM is not subject to the assessed taxes.

The Corporation has provided for a further $5.5 million of taxes relating to the assessments for 1998 and 1999 for the years 2000, 2001 and for the first nine months of 2002.

The Corporation, through its operating subsidiaries in Kazakstan received tax assessments for 2000 and 2001 amounting to $56 million, which have been reduced through negotiations to $44 million. The Corporation has not provided for these assessments and has filed or will shortly file court cases disputing these assessments.

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LEGAL PROCEEDINGS

The Corporation has been named as a defendant in a claim filed by a company alleging it was retained under a consulting contract as disclosed in Note 16 to the financial statements in the December 31, 2001 Annual Report. The arbitration decision has been received and the Corporation has accrued and paid $7.2 million for full settlement of the claim.

14 NET INCOME PER SHARE

The income per share calculations are based on the weighted average and diluted numbers of Class A common shares outstanding during the period as follows:

	9 MONTHS ENDED SEPT. 30, 2002	3 MONTHS ENDED SEPT. 30, 2002	9 MONTHS ENDED SEPT. 30, 2001
Weighted average number of common shares outstanding	81,042,900	81,301,955	79,875,296
Dilution from exercisable options (including convertible securities)	3,440,217	3,440,217	4,586,261
Diluted number of shares outstanding	84,483,117	84,742,172	84,461,557

No options were excluded from the calculation of diluted number of shares outstanding during the nine months ended September 30, 2002 and three months ended September 30, 2002. During the nine months ended September 30, 2001 and three months ended September 30, 2001 one hundred thousand were excluded from the calculation.

15 CASH FLOW INFORMATION

Changes in non-cash operating working capital items include:

	9 MONTHS ENDED SEPT. 30, 2002	3 MONTHS ENDED SEPT. 30, 2002	9 MONTHS ENDED SEPT. 30, 2001
(Increase)/decrease in accounts receivable	(29,620)	(19,031)	(19,545)
(Increase)/decrease in inventory	(407)	(1,472)	(1,227)
(Increase)/decrease in prepaids	(34,855)	(16,215)	(20,139)
Increase/(decrease) in accounts payable and accrued liabilities	29,447	24,617	(4,863)
(Decrease)/increase in prepayments for crude oil and refined products	3,887	6,068	(1,784)
	(31,548)	(6,033)	(47,558)

Change in long-term debt includes:

	9 MONTHS	3 MONTHS	9 MONTHS

	ENDED SEPT. 30, 2002	ENDED SEPT. 30, 2002	ENDED SEPT. 30, 2001
Proceeds from ShNOS bonds	-	-	13,305
12% notes repurchased	-	-	(849)
12% notes sold, net of discount	17,195	-	-
Repayment of Canadian and US Notes	-	-	(25,811)
Repayment of Kazgermunai debt	-	-	(25,000)
Change in interest on Kazgermunai debt	1,616	249	-
	18,811	244	(38,355)

16 COMPARATIVE FIGURES

The presentation of certain accounts for previous periods has been changed to conform with the presentation adopted for the current period.

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CORPORATE INFORMATION

DIRECTORS

Bernard F. Isautier
President and Chief Executive Officer
Windsor, United Kingdom

Askar Alshinbaev (1) (2)
Managing Director
Kazkommertsbank
Almaty, Kazakhstan

James B.C. Doak (1) (2) (3)
President and Managing Director
Enterprise Fund
Toronto, Ontario

Hon. Robert P. Kaplan (1)
International Business Consultant
Toronto, Ontario

Jacques Lefevre (1)
Vice Chairman and Chief Operating Officer
Lafarge Paris, France

Louis W. MacEachern (2) (3)
Chairman Servpro/Dalco Group
Calgary, Alberta

OFFICERS

Bernard F. Isautier
President and Chief Executive Officer

Mike Azancot
Senior Vice President, Exploration and Development

Nicholas H. Gay
Senior Vice President Finance and Chief Financial Officer

Dermot Hassett
Vice President Marketing and Transportation

Anthony Peart
Senior Vice President, General Counsel and Corporate Secretary

Marlo C. Thomas
Executive Vice President

Ihor P. Wasylkiw
Vice President Investor Relations

AUDITORS

Deloitte & Touche
Almaty, Kazakhstan

INDEPENDENT RESERVOIR CONSULTANTS

McDaniel & Associates Consultants Ltd.
Calgary, Alberta

Nurzhan Subkhanberdin (2)
Chairman Kazkommertsbank
Almaty, Kazakhstan

(1) Audit Committee Member
(2) Compensation Committee Member
(3) Corporate Governance Committee Member

[COMPANY LOGO]

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Contact: Marlo Thomas, President

SHARE LISTINGS

The Toronto Stock Exc
   Trading Symbol   H
   S&P/TSX Composite
   S&P/TSX Canadian M
      Index
   S&P/TSX Energy Ind

NYSE
   Trading Symbol - H

Germany
   Frankfurt
   Trading Symbol - H

SENIOR NOTES LISTINGS

The Toronto Stock Exc
   Trading Symbol - H

Luxembourg Stock Exch

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HURRICANE HYDROCARBONS LTD.
(Registrant)

Date: November 27, 2002

By: /s/ Ihor P. Wasylkiw

Ihor P. Wasylkiw
Vice President - Investor Relations