International Petroleum Corp.

Press Release

June 15, 2026

International Petroleum Corporation Corporate Update: Blackrod Phase 1 First Oil Achieved

International Petroleum Corporation (IPC) (TSX, Nasdaq Stockholm: IPCO) is pleased to announce first oil has been achieved at Phase 1 of the Blackrod project, ahead of schedule and on budget.

The Blackrod Phase 1 development project began production on May 31, 2026 as the initial well pairs commenced conversion from steam circulation to production. As the remaining well pairs undergoing steam circulation reach the necessary conformance conditions, they will subsequently be converted to oil production. The forecast plateau production rate of 30,000 barrels of oil per day (bopd) for the Phase 1 project is expected to be achieved by late 2027, a quarter earlier than originally guided at the time of project sanction in 2023.

Phase 1 of the Blackrod project has been developed as a Central Processing Facility (CPF) connected to three well pad facilities and three separate drainage patterns. The Blackrod property is pipeline-connected for gas and condensate input sources and crude output which connects into the Grand Rapids Pipeline to Edmonton, Alberta. Phase 1 has 2P reserves of 311 million barrels of oil equivalent (boe) and Blackrod has a further 1.1 billion boe of contingent resources (best estimate, unrisked). IPC controls a 100% working interest in the Blackrod asset, allowing for full flexibility on the next phases of growth to increase production incrementally from the expected 30,000 bopd up to the regulatory approved 80,000 bopd.

Blackrod Phase 1 was delivered on budget, with a final forecast outturn of 855 MUSD of growth capital investment compared to the original estimate of 850 MUSD. With this Phase 1 growth capital in the past, the go forward sustaining capital intensity is expected to be less than USD 5 per barrel. Excluding any contingent resource recognition or future phase expansion developments, Phase 1 is expected to maintain 30,000 bopd of production for in excess of 25 years.

William Lundin, IPC's President and Chief Executive Officer, comments: “I am very pleased to announce first oil from the Blackrod Phase 1 commercial development. This is a transformational moment for International Petroleum Corporation. Since IPC acquired the asset in 2018, the Blackrod project has exceeded all expectations in terms of project execution and resource growth. It is a testament to the hard work and dedication from all stakeholders involved in this asset. This is the largest greenfield thermal development project developed in Alberta in a decade, and I would like to thank our best-in-class IPC personnel and contractors involved in bringing this vision into a reality.

As we unlock Blackrod through the first phase of the development, this is only the beginning of a multi-decade growth asset that has regulatory approval to reach 80,000 bopd. Organic growth is one of the key capital allocation pillars of IPC, and Blackrod is a direct example of the tremendous value that can be created through that strategy. IPC is a proven acquirer, developer and proficient operator of primary resources with an extremely bright outlook, and we look forward to continuing work to propel IPC forward to new heights.”

International Petroleum Corp. (IPC) is an international oil and gas exploration and production company with a high quality portfolio of assets located in Canada, Malaysia and France, providing a solid foundation for organic and inorganic growth. IPC is a member of the Lundin Group of Companies. IPC is incorporated in Canada and IPC’s shares are listed on the Toronto Stock Exchange (TSX) and the Nasdaq Stockholm exchange under the symbol "IPCO".

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Forward-Looking Statements

This press release contains statements and information which constitute "forward-looking statements" or "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including the Corporation's future performance, business prospects or opportunities. Actual results may differ materially from those expressed or implied by forward-looking statements. The forward-looking statements contained in this press release are expressly qualified by this cautionary statement. Forward-looking statements speak only as of the date of this press release, unless otherwise indicated. IPC does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws.

All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, forecasts, guidance, budgets, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", “forecast”, "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "budget" and similar expressions) are not statements of historical fact and may be "forward-looking statements".

Forward-looking statements include, but are not limited to, statements with respect to:

- Estimates of future production, cash flows, operating costs and capital expenditures that are based on IPC’s current business plans and assumptions regarding the business environment, which are subject to change;
- IPC’s financial and operational flexibility to navigate the Corporation through periods of volatile commodity prices;
- The ability to fully fund IPC’s future expenditures from cash flows and current borrowing capacity;
- IPC’s intention and ability to continue to implement its strategies to build long-term shareholder value;
- The ability of IPC’s portfolio of assets to provide a solid foundation for organic and inorganic growth;
- The continued facility uptime and reservoir performance in IPC’s areas of operation;
- Development of the Blackrod project in Canada, including estimates of resource volumes, future production, timing, regulatory approvals, third party commercial arrangements, breakeven oil prices, net present values and future phase developments;
- The potential improvement in the Canadian oil egress situation and IPC’s ability to benefit from any such improvements;
- Estimates of reserves and contingent resources;
- The ability to generate free cash flows and use that cash to repay debt;
- IPC’s continued access to its existing credit facilities, including current financial headroom, on terms acceptable to the Corporation;
- IPC’s ability to identify and complete future acquisitions;
- Expectations regarding the oil and gas industry in Canada, Malaysia and France, including assumptions regarding future royalty rates, regulatory approvals, legislative changes, tariffs, and ongoing projects and their expected completion; and
- Future drilling and other exploration and development activities.

Statements relating to "reserves" and "contingent resources" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and that the reserves and resources can be profitably produced in the future. Ultimate recovery of reserves or resources is based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. See also “Reserves and Resources Advisory”.

The forward-looking statements are based on certain key expectations and assumptions made by IPC, including expectations and assumptions concerning: the duration and impact of tariffs that are currently in effect on goods exported from or imported into Canada, and that other than the tariffs that are currently in effect, neither the U.S. nor Canada (i) increases the rate or scope of such tariffs, reenacts tariffs that are currently suspended, or imposes new tariffs, on the import of goods from one country to the other, including on oil and natural gas, and/or (ii) imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas; prevailing commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve and contingent resource volumes; operating costs; IPC's ability to maintain its existing credit ratings; IPC's ability to achieve its performance targets; the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions and that IPC will be able to implement its standards, controls, procedures and policies in respect of any acquisitions and realize the expected synergies on the anticipated timeline or at all; the benefits of acquisitions; the state of the economy and the exploration and production business in the jurisdictions in which IPC operates and globally; the availability and cost of financing, labour and services; IPC's intention to complete share repurchases under the normal course issuer bid program, including the funding of such share repurchases, existing and future market conditions, including with respect to the price of IPC's common shares, and compliance with respect to applicable limitations under securities laws and regulations and stock exchange policies; and the ability to market crude oil, natural gas and natural gas liquids successfully.

Although IPC believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because IPC can give no assurances that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks.

These include, but are not limited to: general global economic, market and business conditions; the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, resources, production, revenues, costs and expenses; health, safety and environmental risks; commodity price fluctuations; interest rate and exchange rate fluctuations; marketing and transportation; loss of markets; environmental and climate-related risks; competition; innovation and cybersecurity risks related to IPC's systems, including costs of addressing or mitigating such risks; the ability to attract, engage and retain skilled employees; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; the ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; geopolitical conflicts, including current and potential future conflicts in Ukraine, the Middle East, South America and elsewhere, and their potential impact on, among other things, global market conditions; political or economic developments, including, without limitation, the risk that (i) the tariffs that are currently in effect on goods exported from or imported into Canada continue in effect for an extended period of time, the tariffs that have been threatened are implemented, that tariffs that are currently suspended are reactivated, the rate or scope of tariffs are increased, or new tariffs are imposed, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed or threatened to be imposed by the U.S. on other countries and retaliatory tariffs imposed or threatened to be imposed by other countries on the U.S. will trigger a broader global trade war which could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Corporation, including by decreasing demand for, and the price of oil, and natural gas, disrupting supply chains, increasing costs, causing volatility in the global financial markets, and limiting access to financing; and changes in legislation, including but not limited to tax laws, royalties, environmental and abandonment regulations. Readers are cautioned that the foregoing list of factors is not exhaustive.

Additional information on these and other factors that could affect IPC, or its operations or financial results, are included in the management's discussion and analysis for the three months ended March 31, 2026 (MD&A) (See "Risk Factors", "Cautionary Statement Regarding Forward-Looking Information" and "Reserves and Resources Advisory"), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2025, (See "Cautionary Statement Regarding Forward-Looking Information", "Reserves and Resources Advisory" and "Risk Factors") and other reports on file with applicable securities regulatory authorities, including previous financial reports, management's discussion and analysis and material change reports, which may be accessed through the SEDAR+ website (www.sedarplus.ca) or IPC's website (www.international-petroleum.com).

Management of IPC approved the production, operating costs, operating cash flow, capital and decommissioning expenditures and free cash flow guidance and estimates contained herein as of the date of this press release. The purpose of these guidance and estimates is to assist readers in understanding IPC's expected and targeted financial results, and this information may not be appropriate for other purposes.

Reserves and Resources Advisory

This press release contains references to estimates of gross and net reserves and resources attributed to the Corporation's oil and gas assets. For additional information with respect to such reserves and resources, refer to "Reserves and Resources Advisory" in the MD&A. Light, medium and heavy crude oil reserves/resources disclosed in this press release include solution gas and other by-products. Also see "Supplemental Information regarding Product Types" in the MD&A and AIF.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in Canada are effective as of December 31, 2025, and are included in the reports prepared by Sproule International Limited (Sproule ERCE), an independent qualified reserves evaluator, in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* (NI 51-101) and the Canadian Oil and Gas Evaluation Handbook (the COGE Handbook) and using Sproule ERCE's December 31, 2025 price forecasts.

The price forecasts used in the Sproule ERCE reports are available on the website of Sproule ERCE (sproule-erce.com) and are contained in the AIF. These price forecasts are as at December 31, 2025 and may not be reflective of current and future forecast commodity prices.

IPC uses the industry-accepted standard conversion of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf = 1 bbl). A BOE conversion ratio of 6:1 is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Currency

All dollar amounts in this press release are expressed in United States dollars, except where otherwise noted. References herein to USD mean United States dollars and to MUSD mean millions of United States dollars. References herein to CAD mean Canadian dollars.