International
Petroleum
Corp.

International Petroleum Corporation

Material Change Report

6 February 2024

MCR 2023

MATERIAL CHANGE REPORT

1. Name and Address of Company:

International Petroleum Corporation ("**IPC**" or the "**Corporation**")
885 West Georgia Street, Suite 2000
Vancouver, British Columbia V6C 3E8

2. Date of Material Change:

February 6, 2024

3. News Release:

On February 6, 2024, a news release was disseminated through the facilities of GlobeNewswire and subsequently filed under IPC's corporate profile on SEDAR+ at www.sedarplus.ca.

4. Summary of Material Change:

On February 6, 2024, in addition to releasing its financial and operating results and related management's discussion and analysis for the year ended December 31, 2023 (MD&A), IPC announced its 2024 capital expenditure budget of USD 437 million and its 2024 production guidance of between 46,000 and 48,000 barrels of oil equivalent (boe) per day (boepd). IPC also announced that 2023 year-end 2P reserves and best estimate contingent resources (unrisked) are estimated at, respectively, 468 million boe (MMboe) and 1,145 MMboe. IPC's 2023 year-end best estimate contingent resources (risked) are estimated at 863 MMboe.

IPC also stated that further details will be provided at IPC's Capital Markets Day (CMD) presentation to be held on February 6, 2024. A copy of the CMD presentation will be available on IPC's website at www.international-petroleum.com.

The news release and CMD presentation refer to the Corporation's reserves estimates, contingent resources estimates and estimates of future net revenue as further described in the attached "Disclosure of Year End 2023 Reserves and Resources Data and Other Oil and Gas Information" and news release dated February 6, 2024.

5. Full Description of Material Change:

5.1 Full Description of Material Change

Please see attached "Disclosure of Year End 2023 Reserves and Resources Data and Other Oil and Gas Information" and news release dated February 6, 2024.

5.2 Disclosure for Restructuring Transactions:

Not applicable.

6. Reliance on subsection 7.1(2) of National Instrument 51-102:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report is:

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9. Date of Report:

February 6, 2024

Disclosure of Year End 2023 Reserves and Resources Data and Other Oil and Gas Information

Part I – Date of Statement

February 6, 2024

International Petroleum Corporation (IPC or the Corporation) has oil and gas reserves and resources in Canada, Malaysia and France

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, 2023, and are included in reports prepared by Sproule Associates Limited (Sproule), 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's December 31, 2023, price forecasts. The preparation date of the reserves report by Sproule is January 24, 2024 and the preparation date of the contingent resource report by Sproule is January 26, 2024.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in France and Malaysia are effective as of December 31, 2023, and are included in the report prepared by ERC Equipoise Ltd. (ERCE), an independent qualified reserves auditor, in accordance with NI 51-101 and the COGE Handbook, and using Sproule's December 31, 2023, price forecasts. The report by ERCE is dated January 16, 2024.

The reserve estimates, contingent resource estimates and estimate of future net revenue, and related information, in respect of IPC's oil and gas assets in Canada, France and Malaysia, based on the above-mentioned Sproule and ERCE reports, are contained in Parts I to VI and Appendix A of this document.

The price forecasts used in the reports prepared by Sproule and ERCE, are available on the website of Sproule (www.sproule.com), and are provided in Part III – Pricing Assumptions. Electricity price assumptions in Canada used in this document are made by IPC, based on industry estimates.

2P reserves and best estimate contingent resources included in the reports prepared by Sproule and ERCE in respect of IPC's oil and gas assets in Canada, France and Malaysia have been aggregated in this document by IPC. Estimates of reserves and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves and future net revenue for all properties, due to aggregation. In some cases, column or row totals in the tables in this document may not add due to rounding. This document contains estimates of the net present value of the future net revenue from IPC's reserves and contingent resources. The estimated values of future net revenue disclosed in this document do not represent fair market value. There is no assurance that the forecast prices and cost assumptions used in the reserve and resource evaluations will be attained and variances could be material.

The reserves and resources information and data provided in this document present only a portion of the disclosure required under NI 51-101. All of the required information will be contained in the Corporation's Annual Information Form for the year ended December 31, 2023, which will be filed on SEDAR+ (accessible at www.sedarplus.ca) on or before April 1, 2024.

Part II - Disclosure of Reserves Data

The tables below set out the reserves volumes and net present values by country. IPC's working interest volumes are reported herein as the gross reserves, the reserves adjusted for royalties or similar are reported as net reserves.

Item 2.1.1a – Breakdown of Proved Reserves (Forecast Case)
Breakdown of Reserves by Product Type

	Bitumen		Heavy Crude Oil		Light & Medium Oil		Natural Gas Liquids		Conventional Natural Gas		Oil Equivalent	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	Bscf	Bscf	MMboe	MMboe
Proved Developed Producing												
Canada	-	-	46.7	38.1	4.1	3.2	0.0	0.0	270.6	256.4	96.0	84.0
France	-	-	-	-	5.8	5.1	-	-	-	-	5.8	5.1
Malaysia	-	-	-	-	3.8	3.2	-	-	-	-	3.8	3.2
IPC Total	-	-	46.7	38.1	13.7	11.5	0.0	0.0	270.6	256.4	105.5	92.4
Proved Developed Non-Producing												
Canada	-	-	0.0	0.0	0.3	0.3	-	-	7.9	7.5	1.6	1.5
France	-	-	-	-	0.0	0.0	-	-	-	-	0.0	0.0
Malaysia	-	-	-	-	1.1	0.9	-	-	-	-	1.1	0.9
IPC Total	-	-	0.0	0.0	1.4	1.2	-	-	7.9	7.5	2.7	2.4
Proved Undeveloped												
Canada	197.9	162.4	70.2	55.1	4.3	3.3	0.0	0.0	2.7	2.4	272.8	221.2
France	-	-	-	-	-	-	-	-	-	-	-	-
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	197.9	162.4	70.2	55.1	4.3	5.4	0.0	0.0	2.7	2.4	272.8	222.1
Total Proved (1P)												
Canada	197.9	162.4	116.9	93.1	8.7	6.8	0.1	0.1	281.2	266.3	370.4	306.8
France	-	-	-	-	5.8	5.1	-	-	-	-	5.8	5.1
Malaysia	-	-	-	-	4.8	4.2	-	-	-	-	4.8	4.2
IPC Total	197.9	162.4	116.9	93.1	19.4	16.0	0.1	0.1	281.2	266.3	381.0	316.1

Item 2.1.1b – Breakdown of Proved and Probable Reserves (Forecast Case)
Breakdown of Reserves by Product Type

	Bitumen		Heavy Crude Oil		Light & Medium Oil		Natural Gas Liquids		Conventional Natural Gas		Oil Equivalent	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	Bscf	Bscf	MMboe	MMboe
Proved plus Probable Developed Producing												
Canada	-	-	61.4	49.7	5.0	3.8	0.1	0.0	340.8	322.7	123.2	107.3
France	-	-	-	-	8.9	7.8	-	-	-	-	8.9	7.8
Malaysia	-	-	-	-	4.7	4.1	-	-	-	-	4.7	4.1
IPC Total	-	-	61.4	49.7	18.6	15.7	0.1	0.0	340.8	322.7	136.8	119.1
Proved plus Probable Developed Non-Producing												
Canada	-	-	-	-	0.4	0.3	-	-	14.4	13.6	2.8	2.6
France	-	-	-	-	0.0	0.0	-	-	-	-	0.0	0.0
Malaysia	-	-	-	-	1.1	0.8	-	-	-	-	1.1	0.8
IPC Total	-	-	-	-	1.5	1.1	-	-	14.4	13.6	3.9	3.4
Proved plus Probable Undeveloped												
Canada	218.6	174.8	101.7	78.9	5.8	4.5	0.0	0.0	4.4	4.0	327.0	258.9
France	-	-	-	-	-	-	-	-	-	-	-	-
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	218.6	174.8	101.7	78.9	5.8	4.5	0.0	0.0	4.4	4.0	327.0	258.9
Total Proved plus Probable (2P)												
Canada	218.6	174.8	163.1	128.5	11.2	8.7	0.1	0.1	359.6	340.4	452.9	368.8
France	-	-	-	-	8.9	7.8	-	-	-	-	8.9	7.8
Malaysia	-	-	-	-	5.8	4.9	-	-	-	-	5.8	4.9
IPC Total	218.6	174.8	163.1	128.5	25.9	21.4	0.1	0.1	359.6	340.4	467.7	381.5
Total Probable (PB)												
Canada	20.7	12.4	46.2	35.4	2.5	1.9	0.0	0.0	78.4	74.1	82.5	62.0
France	-	-	-	-	3.1	2.7	-	-	-	-	3.1	2.7
Malaysia	-	-	-	-	1.0	0.7	-	-	-	-	1.0	0.7
IPC Total	20.7	12.4	46.2	35.4	6.6	5.3	0.0	0.0	78.4	74.1	86.6	65.4

Item 2.1.2a – Net Present Value of Future Net Revenue (Forecast Case), Proved Reserves
Breakdown of NPV by country and in aggregate MM U.S.$

	Before Deducting Income Tax, Discounted at						After Deducting Income Tax, Discounted at						Unit Value Before Income Tax, discounted at 10%
	0%	5%	8%	10%	15%	20%	0%	5%	8%	10%	15%	20%	
Proved Developed Producing													
Canada	1,003.4	1,056.6	1,004.2	962.1	858.6	769.5	826.6	914.1	877.3	844.3	759.1	684.1	11.4
France	63.9	99.8	102.7	101.6	95.2	87.5	39.5	81.1	86.4	86.8	83.0	77.2	20.0
Malaysia	24.6	28.8	30.5	31.3	32.8	33.5	23.0	27.3	29.0	29.8	31.3	32.1	9.7
IPC Total	1,091.9	1,185.2	1,137.3	1,095.1	986.6	890.5	889.1	1,022.4	992.7	960.9	873.4	793.4	11.9
Proved Developed Non-Producing													
Canada	16.6	10.0	7.5	6.3	4.2	2.9	12.9	7.4	5.4	4.4	2.8	1.8	4.2
France	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.4
Malaysia	23.2	23.2	22.4	21.8	19.8	17.6	17.1	18.3	18.1	17.8	16.5	15.0	23.6
IPC Total	39.8	33.2	30.0	28.1	24.0	20.6	30.0	25.8	23.6	22.3	19.3	16.8	11.5
Proved Undeveloped													
Canada	5,985.1	3,033.7	2,061.9	1,603.6	858.4	440.1	4,534.4	2,267.1	1,517.4	1,163.8	589.2	267.1	7.2
France	-	-	-	-	-	-	-	-	-	-	-	-	-
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	5,985.1	3,033.7	2,061.9	1,603.6	858.4	440.1	4,534.4	2,267.1	1,517.4	1,163.8	589.2	267.1	7.2
Total Proved													
Canada	7,005.1	4,100.2	3,073.6	2,572.0	1,721.2	1,212.6	5,373.9	3,188.6	2,400.2	2,012.5	1,351.1	953.1	8.4
France	64.0	99.8	102.7	101.7	95.3	87.6	39.6	81.1	86.5	86.8	83.0	77.2	20.0
Malaysia	47.8	52.0	52.9	53.1	52.5	51.1	40.1	45.5	47.1	47.7	47.9	47.0	12.8
IPC Total	7,116.9	4,252.1	3,229.2	2,726.8	1,869.0	1,351.2	5,453.5	3,315.3	2,533.8	2,146.9	1,482.0	1,077.3	8.6

Item 2.1.2b – Net Present Value of Future Net Revenue (Forecast Case), Proved and Probable Reserves
Breakdown of NPV by country and in aggregate MM U.S.$

	Before Deducting Income Tax, Discounted at						After Deducting Income Tax, Discounted at						Unit Value Before Income Tax, discounted at 10%
	0%	5%	8%	10%	15%	20%	0%	5%	8%	10%	15%	20%	
Proved plus Probable Developed Producing													
Canada	1,572.4	1,480.8	1,356.0	1,275.5	1,101.8	966.9	1,259.0	1,240.6	1,147.1	1,083.7	943.7	833.4	11.9
France	172.6	178.6	169.3	161.8	143.2	127.1	120.0	139.9	136.3	131.9	119.2	107.3	20.8
Malaysia	48.4	52.9	54.0	54.3	53.9	52.7	40.4	46.1	47.8	48.4	48.8	48.2	13.3
IPC Total	1,793.4	1,712.2	1,579.3	1,491.6	1,298.9	1,146.7	1,419.4	1,426.5	1,331.1	1,264.1	1,111.8	988.9	12.5
Proved plus Probable Developed Non-Producing													
Canada	32.7	18.0	13.0	10.6	6.6	4.4	25.3	13.5	9.5	7.6	4.5	2.8	4.1
France	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	5.5
Malaysia	63.0	54.1	49.7	47.1	41.6	37.0	48.0	41.3	38.0	36.0	31.9	28.5	58.0
IPC Total	95.8	72.2	62.8	57.8	48.2	41.5	73.3	54.8	47.5	43.7	36.4	31.3	17.0
Proved plus Probable Undeveloped													
Canada	8,224.8	4,257.9	2,953.9	2,338.7	1,336.0	769.9	6,203.0	3,184.1	2,186.4	1,715.3	947.8	514.8	9.0
France	-	-	-	-	-	-	-	-	-	-	-	-	-
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	8,224.8	4,257.9	2,953.9	2,338.7	1,336.0	769.9	6,203.0	3,184.1	2,186.4	1,715.3	947.8	514.8	9.2
Total Proved plus Probable (2P)													
Canada	9,829.	5,756.7	4,322.9	3,624.8	2,444.4	1,741.2	7,487.4	4,438.2	3,343.0	2,806.6	1,896.0	1,351.0	9.8
France	172.7	178.6	169.4	161.9	143.3	127.2	120.1	139.9	136.4	132.0	119.3	107.3	20.8
Malaysia	111.4	107.0	103.7	101.4	95.5	89.8	88.3	87.3	85.7	84.4	80.7	76.7	20.7
IPC Total	10,114.0	6,042.3	4,596.0	3,888.0	2,683.2	1,958.2	7,695.7	4,665.5	3,565.1	3,023.1	2,095.9	1,535.0	10.2
Total Probable (PB)													
Canada	2,824.8	1,656.5	1,249.3	1,052.7	723.2	528.7	2,113.5	1,249.6	942.8	794.2	544.9	398.0	17.0
France	108.7	78.8	66.7	60.2	48.0	39.6	80.5	58.8	49.9	45.2	36.2	30.1	22.4
Malaysia	63.6	55.0	50.8	48.3	43.0	38.7	48.3	41.8	38.6	36.8	32.8	29.6	66.0
IPC Total	2,997.1	1,790.3	1,366.8	1,161.2	814.2	607.0	2,242.2	1,350.2	1,031.3	876.1	614.0	457.7	17.7

Item 2.1.3b – Elements of Future Net Revenue (Forecast Case)
Undiscounted

	Revenue MM U.S.$	Royalties MM U.S.$	Operating Costs MM U.S.$	Development Costs MM U.S.$	Abandonment Costs MM U.S.$	Future Net Revenue Before Income Taxes MM U.S.$	Income Taxes MM U.S.$	Future Net Revenue After Income Taxes MM U.S.$
Total Proved								
Canada	22,946	4,235	8,655	2,308	742	7,005	1,631	5,374
France	499	61	269	2	103	64	24	40
Malaysia	441	45	280	11	57	48	8	40
IPC Total	23,886	4,341	9,205	2,321	903	7,117	1,663	5,454
Total Proved plus Probable								
Canada	28,125	5,622	9,481	2,387	805	9,830	2,343	7,487
France	785	99	408	2	104	173	53	120
Malaysia	517	54	283	11	57	111	23	88
IPC Total	29,427	5,775	10,172	2,400	966	10,114	2,418	7,696

Part III – Pricing Assumptions

Forecast prices used in this document are sourced from the Sproule forecast as at December 31, 2023.

Item 3.2 – Forecast Prices Used in Estimates

	Brent (U.S.$/bbl)	WTI Crude Oil (U.S.$/bbl)	Canadian Light Sweet Crude ($Cdn/bbl)	Western Canadian Select ($Cdn/bbl)	Natural Gas AECO ($Cdn/mmbtu)	Natural Gas Empress ($Cdn/ mmbtu)	Capital Cost Inflation Rate (%/yr)	USD/CAD Exchange Rate ($US/$Cdn)
Historical								
2018	71.53	64.77	68.49	52.34	1.53	3.10	4.2%	0.77
2019	64.17	57.02	68.87	58.77	1.80	2.51	0.4%	0.75
2020	43.21	39.40	45.39	35.59	2.24	2.23	-5.2%	0.75
2021	70.79	67.91	80.31	68.73	3.64	3.90	7.9%	0.80
2022	98.89	94.23	119.75	98.51	5.43	6.54	12.0%	0.77
2023	82.22	77.63	99.87	79.53	2.64	2.64	5.0%	0.74
Forecast								
2024	80.00	76.00	97.33	81.33	2.33	3.02	0.0%	0.75
2025	80.00	76.00	97.25	84.67	3.64	4.34	2.0%	0.75
2026	80.00	76.00	97.17	84.33	3.95	4.66	2.0%	0.75
2027	81.60	77.52	99.12	86.02	4.03	4.75	2.0%	0.75
2028	83.23	79.07	101.10	87.74	4.11	4.85	2.0%	0.75
2029	84.90	80.65	103.12	89.50	4.19	4.94	2.0%	0.75
2030	86.59	82.26	105.18	91.29	4.27	5.04	2.0%	0.75
2031	88.33	83.91	107.29	93.11	4.36	5.14	2.0%	0.75
2032	90.09	85.59	109.43	94.97	4.44	5.24	2.0%	0.75
2033	91.89	87.30	111.62	96.87	4.53	5.35	2.0%	0.75
2034	93.73	89.05	113.85	98.81	4.62	5.46	2.0%	0.75
Thereafter	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	2.0%	0.75

International Currency Exchange Rate Assumptions

Rate	2024	2025	2026	2027	2028 on
USD/EUR	1.10	1.15	1.15	1.15	1.15
MYR/USD	4.30	4.30	4.30	4.30	4.30

Part IV – Reconciliation of Changes in Reserves (Working Interest)

	Malaysia Light & Medium Oil MMboe	France Light & Medium Oil MMboe	Canada Light & Medium Oil MMboe	Canada Bitumen MMboe	Canada Heavy Oil MMboe	Canada NGL's MMboe	Canada Conventional Natural Gas MMboe	IPC Total Oil Equivalent MMboe
Proved Reserves								
Opening Balance Dec 31, 2022	6.0	6.3	10.4	197.8	111.7	0.0	50.8	383.0
Extensions and improved recovery	-	-	0.2	-	0.3	0.0	-	0.5
Infill Drilling	-	-	0.4	-	-	-	-	0.4
Technical revisions	0.2	0.8	-1.6	0.4	3.8	0.0	0.1	3.6
Resource Transfers	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	10.3	0.1	1.6	12.0
Dispositions	-	-	-	-	-0.3	-	-	-0.3
Economic factors	-	-0.4	0.0	-	-0.0	0.0	-0.1	-0.1
Production	-1.4	-1.0	-0.6	-0.2	-8.9	-0.0	-5.6	-17.7
Closing Balance Dec 31, 2023	4.8	5.8	8.7	197.9	116.9	0.1	46.9	381.0
Probable Reserves								
Opening Balance Dec 31, 2022	0.7	3.8	2.3	20.7	45.0	0.0	16.0	88.5
Extensions and improved recovery	-	-	0.2	-	0.2	0.0	-	0.4
Infill Drilling	-	-	0.1	-	-	-	-	0.1
Technical revisions	0.3	-1.0	-0.3	-	-2.6	0.0	-3.5	-7.1
Resource Transfers	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	3.8	-	0.6	4.4
Dispositions	-	-	-	-	-0.1	-	-	-0.1
Economic factors	-	0.3	0.2	-	-	0.0	-0.0	0.4
Production	-	-	-	-	-	-	-	-
Closing Balance Dec 31, 2023	1.0	3.1	2.5	20.7	46.2	0.0	13.1	86.6
Proved plus Probable Reserves								
Opening Balance Dec 31, 2022	6.7	10.1	12.7	218.5	156.7	0.0	66.8	471.5
Extensions and improved recovery	-	-	0.3	-	0.5	0.0	-	0.8
Infill Drilling	-	-	0.5	-	-	-	-	0.5
Technical revisions	0.5	-0.1	-1.9	0.4	1.2	0.0	-3.4	-3.5
Resource Transfers	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	14.1	0.1	2.2	16.4
Dispositions	-	-	-	-	-0.4	-	-	-0.4
Economic factors	-	-0.1	0.2	-	0.1	0.0	-0.1	0.0
Production	-1.4	-1.0	-0.6	-0.2	-8.9	0.0	-5.6	-17.7
Closing Balance Dec 31, 2023	5.8	8.9	11.2	218.6	163.1	0.1	59.9	467.7

Part V – Additional Information Relating to Reserves Data

Item 5.3 Future Development Costs MM U.S.$

	2024	2025	2026	2027	2028	2028 on	Total for all years undiscounted	Total for all years discounted at 10% p.a.
Total Proved								
France	1.7	-	-	-	-	-	1.7	1.6
Malaysia	9.6	0.8	0.6	-	-	-	11.0	10.6
Canada	365.6	285.9	47.9	44.4	146.1	1,418.1	2,308.0	1,258.8
Total	376.9	286.7	48.5	44.4	146.1	1,418.1	2,320.7	1,271.0
Total Proved Plus Probable								
France	1.7	-	-	-	-	-	1.7	1.6
Malaysia	9.6	0.8	0.6	-	-	-	11.0	10.6
Canada	369.3	349.3	77.3	66.1	146.3	1,379.1	2,387.4	1,303.9
Total	380.6	350.1	77.9	66.1	146.3	1,379.1	2,400.1	1,305.5

IPC's development program will be funded by a combination of internally generated cash flows, access to existing and future credit facilities and possible equity financings. There is no assurance that the Group will allocate funds to develop the reserves as represented in this document. The Group may choose to delay or cancel discretionary development projects depending on economic factors, strategy and priorities. Equally, the Group may choose to accelerate activity should circumstances allow.

Cost of funding is not included in the future net revenue estimates. The cost of funding is not expected to make further development activity uneconomic.

Part VI – Other Oil and Gas Information

Item 6.8 – 2023 Forecast Saleable Production Estimates in Reserves Report

	Bitumen (Mbbl/d)	Light & Medium Crude Oil (Mbbl/d)	Heavy Crude Oil (Mboe/d)	Conventional Natural Gas (Mboe/d)	Natural Gas Liquids (Mboe/d)	Total (Mboe/d)
Total Proved (1P) Scenario						
France	-	2.5	-	-	-	2.5
Malaysia	-	3.0	-	-	-	3.0
Canada	-	1.3	21.2	13.4	0.0	35.9
Total	-	6.8	21.2	13.4	0.0	41.4
Total Proved plus Probable (2P) Scenario						
France	-	2.8	-	-	-	2.8
Malaysia	-	3.4	-	-	-	3.4
Canada	-	1.5	23.8	13.7	0.0	39.0
Total	-	7.7	23.8	13.7	0.0	45.2

APPENDIX A: CONTINGENT RESOURCES DATA

Working Interest Contingent Resources Unrisked

	Technology	Light Crude Oil & Medium Crude Oil			Heavy Crude Oil			Bitumen			Conventional Natural Gas			NGL			Total Oil Equivalent			Chance of Development	Economic Sub Class	Project Maturity	Project Evaluation	Working Interest
		Mbbl			Mbbl			Mbbl			MMscf			Mbbl			Mboe							
		1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C					
Malaysia Bertam																								
NFA	Established	1,499	1,910	2,355													1,499	1,910	2,355	25%	not determined	Development Unclarified	Conceptual	100%
Infill Wells	Established	972	1,553	2,321													972	1,553	2,321	50%	not determined	Development Unclarified	Conceptual	100%
France Paris Basin																								
Amaltheus	Established	148	679	1,212													148	679	1,212	50%	not determined	Development Unclarified	Conceptual	100%
Amaltheus Post 2040	Established	-	13	54													-	13	54	45%	not determined	Development on Hold	Advanced	100%
Courdemanges	Established	330	1,549	2,607													330	1,549	2,607	50%	not determined	Development Unclarified	Conceptual	100%
Courdemanges Post 2040	Established	25	82	259													25	82	259	45%	not determined	Development on Hold	Advanced	100%
Dommartin Lettree	Established	238	512	825													238	512	825	50%	not determined	Development Unclarified	Conceptual	43.01%
Dommartin Lettree Post 2040	Established	69	165	304													69	165	304	45%	not determined	Development on Hold	Advanced	100%
Genievre	Established	-	50	217													-	50	217	50%	not determined	Development Unclarified	Conceptual	100%
Genievrve Post 2040	Established	-	8	38													-	8	38	45%	not determined	Development on Hold	Advanced	100%
Grandville	Established	-	989	1,522													-	989	1,522	50%	not determined	Development Unclarified	Conceptual	100%
Grandville Post 2040	Established	302	764	1,259													302	764	1,259	45%	not determined	Development on Hold	Advanced	100%
Hautefeuille Post 2040	Established	-	18	65													-	18	65	45%	not determined	Development on Hold	Advanced	100%
La Motte Noir Post 2040	Established	-	-	56													-	-	56	45%	not determined	Development on Hold	Advanced	100%
Merisier	Established	542	2,489	3,901													542	2,489	3,901	50%	not determined	Development Unclarified	Conceptual	100%
Merisier Post 2040	Established	-	-	134													-	-	134	45%	not determined	Development on Hold	Advanced	100%
Soudron	Established	841	1,612	2,737													841	1,612	2,737	50%	not determined	Development Unclarified	Conceptual	100%
Soudron Post 2040	Established	175	638	1,071													175	638	1,071	45%	not determined	Development on Hold	Advanced	100%
Vert La Gravelle	Established	250	500	1,000													250	500	1,000	50%	not determined	Development Unclarified	Conceptual	100%
Vert La Gravelle Post 2040	Established	-	343	531													-	343	531	45%	not determined	Development on Hold	Advanced	100%
Villeperdue West Phase 2	Established	1,707	2,845	3,983													1,707	2,845	3,983	30%	not determined	Development Unclarified	Conceptual	100%
Villeperdue North East	Established	600	1,000	1,400													600	1,000	1,400	30%	not determined	Development Unclarified	Conceptual	200%
Villeperdue Well P18	Established	200	500	800													200	500	800	50%	not determined	Development Unclarified	Conceptual	300%
Villerperdue Post 2040	Established	-	2,030	2,999													-	2,030	2,999	45%	not determined	Development on Hold	Advanced	100%
Villeseneux	Established	-	259	345													-	259	345	50%	not determined	Development Unclarified	Conceptual	100%
Villeseneux Post 2040	Established	8	77	187													8	77	187	45%	not determined	Development on Hold	Advanced	100%
France Aquitaine Basin																								
Courbey	Established	1,300	2,150	3,700													1,300	2,150	3,700	50%	not determined	Development Unclarified	Conceptual	50%
Courbey Post 2040	Established	313	502	690													313	502	690	45%	not determined	Development on Hold	Advanced	50%
Les Arbousiers Post 2040	Established	-	-	-													-	-	-	45%	not determined	Development on Hold	Advanced	50%
Les Mimosas Post 2040	Established	-	118	279													-	118	279	45%	not determined	Development on Hold	Advanced	50%
Les Pins Post 2040	Established	-	-	-													-	-	-	45%	not determined	Development on Hold	Advanced	50%
Tamaris Post 2040	Established	-	-	52													-	-	52	45%	not determined	Development on Hold	Advanced	50%
Canada South																								
Suffield Oil	Established	-	-	-	1,310	1,805	2,300	-	-	-	131	180	227	1	1	1	1,333	1,836	2,339	70%	not determined	Development On Hold	Level II/III	100%
Ferguson	Established	968	2,027	3,546							8,400	12,000	15,600	193	276	359	2,561	4,303	6,505	70%	Economic	Development Unclarified	Level III	100%
Suffield Gas	Established										125,580	229,312	333,044				20,930	38,219	55,507	50%	not determined	Development On Hold	Level II	100%
Canada North																								
Blackrod - Phase II and III	Established							967,524	1,065,608	1,163,693							967,524	1,065,608	1,163,693	77%	Economic	Development On Hold	Level II/III	100%
Mooney	Established				6,121	8,187	11,286										6,121	8,187	11,286	71%	Economic	Development On Hold	Level III	100%
Onion Lake Thermal	Established				3,805	3,950	14,413										3,805	3,950	14,413	85%	Economic	Development On Hold	Level III	100%

Working Interest Contingent Resource Development Unclarified Status

	Light & Medium Oil Mbbl			Heavy Crude Oil Mbbl			Bitumen Mbbl			Conventional Natural Gas Bscf			NGL Mbbl			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C				1C	2C	3C
Unrisked																		
Malaysia	2,471	3,463	4,676	-	-	-	-	-	-	-	-	-	-	-	-	2,471	3,463	4,676
France	6,156	15,135	24,248	-	-	-	-	-	-	-	-	-	-	-	-	6,156	15,135	24,248
Canada	968	2,027	3,546	-	-	-	-	-	-	8,400	12,000	15,600	193	276	359	2,561	4,303	6,505
Total Unrisked	9,596	20,624	32,470	-	-	-	-	-	-	8,400	12,000	15,600	193	276	359	11,189	22,900	35,429
Subtotal by Country																		
Risked by Chance of Development																		
Malaysia	861	1,254	1,749	-	-	-	-	-	-	-	-	-	-	-	-	861	1,254	1,749
France	2,517	6,548	10,647	-	-	-	-	-	-	-	-	-	-	-	-	2,517	6,548	10,647
Canada	678	1,419	2,482	-	-	-	-	-	-	5,880	8,400	10,920	135	193	251	1,793	3,012	4,554
Total Risked	4,055	9,221	14,879	-	-	-	-	-	-	5,880	8,400	10,920	135	193	251	5,170	10,814	16,950

Working Interest Contingent Resource Development on Hold Status

	Light & Medium Oil Mbbl			Heavy Mbbl			Bitumen Mbbl			Conventional Bscf			NGL Mbbl			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Unrisked																		
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France	892	4,758	7,980	-	-	-	-	-	-	-	-	-	-	-	-	892	4,758	7,980
Canada	-	-	-	11,236	13,942	27,999	967,524	1,065,608	1,163,693	125,711	229,492	333,271	1	1	1	999,713	1,117,800	1,247,239
Total Unrisked	892	4,758	7,980	11,236	13,942	27,999	967,524	1,065,608	1,163,693	125,711	229,492	333,271	1	1	1	1,000,604	1,122,558	1,255,219
Subtotal by Country																		
Risked by Chance of Development																		
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France	401	2,141	3,591	-	-	-	-	-	-	-	-	-	-	-	-	401	2,141	3,591
Canada	-	-	-	8,497	10,433	21,874	744,993	820,518	896,044	62,882	114,782	166,681	1	1	1	763,971	850,083	945,699
Total Risked	401	2,141	3,591	8,497	10,433	21,874	744,993	820,518	896,044	62,882	114,782	166,681	1	1	1	764,373	852,224	949,290

Working Interest Contingent Resource Grand Totals

	Light & Medium Oil Mbbl			Heavy Mbbl			Bitumen Mbbl			Conventional Bscf			NGL Mbbl			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Unrisked																		
Malaysia	2,471	3,463	4,676	-	-	-	-	-	-	-	-	-	-	-	-	2,471	3,463	4,676
France	7,048	19,892	32,228	-	-	-	-	-	-	-	-	-	-	-	-	7,048	19,892	32,228
Canada	968	2,027	3,546	11,236	13,942	27,999	967,524	1,065,608	1,163,693	134,111	241,492	348,871	194	277	360	1,002,274	1,122,102	1,253,744
IPC Total	10,487	25,382	40,450	11,236	13,942	27,999	967,524	1,065,608	1,163,693	134,111	241,492	348,871	194	277	360	1,011,793	1,145,458	1,290,648
Subtotal by Country Risked by Chance of Development																		
Malaysia	861	1,254	1,749	-	-	-	-	-	-	-	-	-	-	-	-	861	1,254	1,749
France	3,018	8,939	14,638	-	-	-	-	-	-	-	-	-	-	-	-	3,018	8,939	14,638
Canada	678	1,419	2,482	8,497	10,433	21,874	744,993	820,518	896,044	68,762	123,182	177,601	136	194	252	765,764	853,095	950,253
IPC Total	4,556	11,612	18,870	8,497	10,433	21,874	744,993	820,518	896,044	68,762	123,182	177,601	136	194	252	769,643	863,288	966,640

The volumes in the table above are arithmetic sums of multiple estimates of contingent resources, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of contingent resources and appreciate the differing probabilities of recovery associated with each class.

Project descriptions for the contingent resource estimates in Canada, Malaysia and France are provided as follows:

France

The Contingent Resource estimates reported for France, relate to development drilling, waterflood optimisation opportunities and volumes produced beyond the economic limit of the relevant forecast, and/or beyond December 31, 2039, the date at which, under French law, hydrocarbon production must cease. In all cases, the product type is light crude oil. The technical risks and uncertainties associated with the Contingent Resources in France linked to further development relate to limited seismic coverage and understanding of the structural extent of the fields. To recover the Contingent Resources, the drilling of development wells and, in some instances, the modification of existing production facilities would be required. Project development timing for the highest ranked opportunities will potentially be in the next two to five years with the remaining within the next ten years. In all cases, the Contingent Resources require a definitive development plan and approval of the plan to mature from Contingent Resources to Reserves. Such Contingent Resources have been classed as Development Unclarified. For those Contingent Resources associated with the petroleum law to become Reserves, it would be necessary for the government to issue a repeal, or for the appeal of an operator to be won, or for new projects to be identified to accelerate hydrocarbon recovery. These volumes are classed as Development on Hold. Economics have not been run on any of the French Contingent Resources and so those volumes may include a portion that is sub-economic to produce.

Malaysia

Contingent Resources estimates for Malaysia comprise volumes produced beyond the economic limit of the relevant forecast and the drilling of infill wells. The drilling of the infill wells is contingent upon economic and technical feasibility studies, with the project development timing within the next 5 years. The volumes associated with both the production beyond the economic limit and the infill drilling are classed as Development Unclarified. Economics have not been run on any of the Malaysian Contingent Resources and so those volumes may include a portion that is sub-economic to produce.

Canada

Suffield Area

The contingent shallow gas resources in the Suffield area of Alberta are attributed to development drilling. The development is expected to be phased and consists of drilling vertical commingled wells. IPC's gas production in the Suffield area is established and therefore infrastructure investment is expected to be minimal and commercial well recovery can be demonstrated. Sanction of these developments is sensitive to natural gas pricing. Project development timing for the highest ranked targets will potentially be within the next two to five years, with the remainder within the next ten years.

The contingent heavy oil resources in the Suffield area are attributed to development drilling. The development is expected to be phased and consists of drilling horizontal wells targeting Mannville and Detrital reservoirs. IPC's oil production in the Suffield area is established therefore infrastructure investment is expected to be minimal commercial well recovery can be demonstrated. Sanction of these developments is sensitive to oil pricing. Project development timing for the highest ranked targets will potentially be within the next two to five years, with the remainder within the next ten years.

Blackrod

The contingent bitumen resource estimates reported for the Blackrod area are attributed to the future phases of development beyond the Phase 1 Steam Assisted Gravity Drainage project which is currently being constructed. These future phases are attributed to additional facilities and well drilling adjacent to the Phase 1 project area. Development timing for these future phases will potentially be within the next five to ten years.

Onion Lake Thermal

The thermal contingent heavy oil resources in the Onion Lake area of Saskatchewan are attributed to a thermal enhanced oil recovery project. Commercial production is demonstrated from earlier and ongoing phases and IPC has existing operational experience at this site. Sanction of this expansion is sensitive to oil pricing and potential regulatory changes that could be related to future First Nations leases. Project development timing for this will potentially be within the next two to five years.

Mooney

The contingent heavy oil resource estimates in the Mooney area of Alberta are attributed to deploying Enhanced Oil Recovery projects to the existing development and areas immediately offsetting existing development. The development plan is well defined and the operating facility is in place. Sanction of this project is dependent on future oil and chemical prices and predicted flood performance in the reservoir. Project development timing for this will potentially be in the next two to five years.

Ferguson

The contingent resources at the Ferguson field are a combination of oil and gas resources. The oil resources are attributed to the optimisation of the field's gas flood. The gas resources are attributed to blowdown associated with the gas flood reservoir. Project development timing for this will potentially be within the next two to five years.

Forward-Looking Statements

This document 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 document are expressly qualified by this cautionary statement. Forward-looking statements speak only as of the date of this document, 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:

- 2024 production range, operating costs and capital and decommissioning expenditure estimates;
- 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 continue to react to recent events and navigate the Corporation through periods of volatile commodity prices;
- The ability to fully fund 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 and net present values;
- Future development potential of the Suffield, Brooks, Ferguson and Mooney operations, including the timing and success of future oil and gas drilling and optimization programs;
- Current and future operations and production performance at Onion Lake Thermal;
- The potential improvement in the Canadian oil egress situation and IPC’s ability to benefit from any such improvements;
- The ability of IPC to achieve and maintain current and forecast production in France and Malaysia;
- The intention and ability of IPC to acquire further common shares under the NCIB, including the timing of any such purchases;
- The return of value to IPC’s shareholders as a result of the NCIB;
- The ability of IPC to implement further shareholder distributions in addition to the NCIB;
- IPC’s ability to implement its GHG emissions intensity and climate strategies and to achieve its net GHG emissions intensity reduction targets;
- 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 maintain operations, production and business in light of the current and any future pandemics and the restrictions and disruptions related thereto, including risks related to production delays and interruptions, changes in laws and regulations and reliance on third-party operators and infrastructure;
- IPC’s ability to identify and complete future acquisitions; 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.

The forward-looking statements are based on certain key expectations and assumptions made by IPC, including expectations and assumptions concerning: 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; 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; 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; 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 risks;
- Competition;
- 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; 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 consolidated audited financial statements and management's analysis and discussion for the year ended December 31, 2023 (MD&A) (See "Cautionary Statement Regarding Forward-Looking Information", "Risks Factors" and "Reserves and Resources Advisory" therein), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2022 (See "Cautionary Statement Regarding Forward-Looking Information", "Reserves and Resources Advisory" and " Risk Factors" therein) 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 document. 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 document contains references to estimates of gross and net reserves and resources attributed to the Corporation's oil and gas assets. Gross reserves / resources are the working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests. Net reserves / resources are the working interest (operating or non-operating) share after deduction of royalty obligations, plus royalty interests in reserves/resources, and in respect of PSCs in Malaysia, adjusted for cost and profit oil. Unless otherwise indicated, reserves / resource volumes are presented on a gross basis.

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, 2023, and are included in the reports prepared by Sproule Associates Limited (Sproule), 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's December 31, 2023 price forecasts.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in France and Malaysia are effective as of December 31, 2023, and are included in the report prepared by ERC Equipoise Ltd. (ERCE), an independent qualified reserves auditor, in accordance with NI 51-101 and the COGE Handbook, and using Sproule's December 31, 2023 price forecasts.

The reserve estimates, contingent resource estimates and estimate of future net revenue, and related information, in respect of IPC's oil and gas assets in Canada, France and Malaysia, based on the above-mentioned Sproule and ERCE reports, are contained in Parts I to VI and Appendix A of this document.

The price forecasts used in the Sproule and ERCE reports, are available on the website of Sproule (www.sproule.com), and are contained in Part III – Pricing Assumptions. These price forecasts are as at December 31, 2023 and may not be reflective of current and future forecast commodity prices.

The product types comprising the 2P reserves and contingent resources are contained in Part II – Disclosure of Reserves Data and Appendix A of this document. See also "Supplemental Information regarding Product Types" below. Light, medium and heavy crude oil reserves/resources disclosed in this document include solution gas and other by-products.

"2P Reserves" means proved plus probable reserves. "Proved reserves" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. "Probable reserves" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Each of the reserves categories reported (proved and probable) may be divided into developed and undeveloped categories. "Developed reserves" are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing. "Developed producing reserves" are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty. "Developed non-producing reserves" are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown. "Undeveloped reserves" are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable) to which they are assigned.

Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies are conditions that must be satisfied for a portion of contingent resources to be classified as reserves that are: (a) specific to the project being evaluated; and (b) expected to be resolved within a reasonable timeframe. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent resources are further classified in accordance with the level of certainty associated with the estimates and may be sub-classified based on a project maturity and/or characterized by their economic status.

There are three classifications of contingent resources: low estimate, best estimate and high estimate. Best estimate is a classification of estimated resources described in the COGE Handbook as being considered to be the best estimate of the quantity that will be actually recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the best estimate.

Contingent resources are further classified based on project maturity. The project maturity subclasses include development pending, development on hold, development unclarified and development not viable. All of the Corporation's contingent resources are classified as either development on hold or development unclarified. Development on hold is defined as a contingent resource where there is a reasonable chance of development, but there are major non-technical contingencies to be resolved that are usually beyond the control of the operator. Development unclarified is defined as a contingent resource that requires further appraisal to clarify the potential for development and has been assigned a lower chance of development until contingencies can be clearly defined. Chance of development is the probability of a project being commercially viable. Where risked resources are presented they have been adjusted based on the chance of development by multiplying the unrisked values by the Chance of Development.

References to "unrisked" contingent resources volumes means that the reported volumes of contingent resources have not been risked (or adjusted) based on the chance of commerciality of such resources. In accordance with the COGE Handbook for contingent resources, the chance of commerciality is solely based on the chance of development based on all contingencies required for the re-classification of the contingent resources as reserves being resolved. Therefore unrisked reported volumes of contingent resources do not reflect the risking (or adjustment) of such volumes based on the chance of development of such resources.

The contingent resources reported in this document are estimates only. The estimates are based upon a number of factors and assumptions each of which contains estimation error which could result in future revisions of the estimates as more technical and commercial information becomes available. The estimation factors include, but are not limited to, the mapped extent of the oil and gas accumulations, geologic characteristics of the reservoirs, and dynamic reservoir performance. There are numerous risks and uncertainties associated with recovery of such resources, including many factors beyond the Corporation's control. There is uncertainty that it will be commercially viable to produce any portion of the contingent resources referred to in this document. References to "contingent resources" do not constitute, and should be distinguished from, references to "reserves".

2P reserves and contingent resources included in the reports prepared by Sproule and ERCE in respect of IPC's oil and gas assets in Canada, France and Malaysia have been aggregated in this document by IPC. Estimates of reserves, resources and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves, resources and future net revenue for all properties, due to aggregation. This document contains estimates of the net present value of the future net revenue from IPC's reserves and contingent resources. The estimated values of future net revenue disclosed in this document do not represent fair market value. There is no assurance that the forecast prices and cost assumptions used in the reserve and resource evaluations will be attained and variances could be material. Unit values in this document are based on net reserves volumes.

The reserves and resources information and data provided in this document present only a portion of the disclosure required under NI 51-101. All of the required information will be contained in the Corporation's Annual Information Form for the year ended December 31, 2023, which will be filed on SEDAR+ (accessible at www.sedarplus.ca) on or before April 1, 2024.

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 thousand cubic feet (Mcf) per 1 barrel (bbl) 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.

Supplemental Information regarding Product Types

The following table is intended to provide supplemental information about the product type composition of IPC's net average daily production figures provided in this document:

	Heavy Crude Oil (Mbopd)	Light and Medium Crude Oil (Mbopd)	Conventional Natural Gas (per day)	Total (Mboepd)
Three months ended				
December 31, 2023	25.7	6.6	103.8 MMcf (17.3 Mboe)	49.6
December 31, 2022	22.6	10.3	98.1 MMcf (16.4 Mboe)	49.2
Year ended				
December 31, 2023	25.8	8.1	102.8 MMcf (17.1 Mboe)	51.1
December 31, 2022	22.6	9.6	98.1 MMcf (16.4 Mboe)	48.6

This document also makes reference to IPC's forecast average daily production of 46,000 to 48,000 boepd for 2024. IPC estimates that approximately 51% of that production will be comprised of heavy oil, approximately 15% will be comprised of light and medium crude oil and approximately 34% will be comprised of conventional natural gas.

Currency

All dollar amounts in this document are expressed in United States dollars, except where otherwise noted. References herein to USD mean United States dollars. References herein to CAD mean Canadian dollars.

Oil related terms and measurements

bbl	Barrel (1 barrel = 159 litres)
boe	Barrels of oil equivalents
boepd	Barrels of oil equivalents per day
bopd	Barrels of oil per day
Bscf	Billion standard cubic feet
GJ	Gigajoules
Mbbl	Thousand barrels
Mboe	Thousand barrels of oil equivalents
Mboepd	Thousand barrels of oil equivalents per day
Mbopd	Thousand barrels of oil per day.
MMboe	Million barrels of oil equivalents
Mcf	Thousand cubic feet
MMcf	Million cubic feet
NGL	Natural gas liquid

International Petroleum Corp.

Press Release

February 6, 2024

International Petroleum Corporation Announces 2023 Year-End Financial and Operational Results and 2024 Budget, Reserves and Guidance

International Petroleum Corporation (IPC or the Corporation) (TSX, Nasdaq Stockholm: IPCO) today released its financial and operating results and related management's discussion and analysis (MD&A) for the three months and year ended December 31, 2023. IPC is also pleased to announce its 2024 budget, including that IPC continues to progress the development of the Blackrod Phase 1 project in Canada in line with schedule and budget. IPC also confirms its intention to complete the previously announced normal course issuer bid (NCIB) to acquire a further 6.5 million common shares up to December 2024, in addition to the 1.8 million common shares already purchased for cancellation under the NCIB in December 2023 and January 2024. IPC's 2024 capital and decommissioning expenditure budget is USD 437 million and its 2024 average daily production guidance is between 46,000 and 48,000 barrels of oil equivalent (boe) per day (boepd).(1) 2023 year-end proved plus probable (2P) reserves are 468 million boe (MMboe) and best estimate contingent resources (unrisked) are 1,145 MMboe.(1)(2)

William Lundin, IPC's President and Chief Executive Officer, comments: "We are very pleased to announce that IPC achieved record operational results in 2023. Our average net production was 51,100 boepd for the full year, with very strong operational and ESG performance across all our areas of operation. We exited 2023 at approximately 49,500 boepd. In a significant investment year for our Blackrod Phase 1 development project, we still produced positive annual free cash flows from our business. We also returned USD 95 million to shareholders through share buybacks and closed the Cor4 acquisition for a consideration of USD 62 million, ending the year in a net cash position of USD 58 million. With significant gross cash resources of USD 517 million at 2023 year-end, we continue to be well positioned to deliver on our three strategic pillars of Organic Growth, Stakeholder returns, and M&A that drive value creation for our stakeholders.(1)(3)

On Organic Growth, we are very pleased with the progress of the development of Phase 1 of the Blackrod project, Canada, which remains in line with schedule and budget. Phase 1 of the Blackrod project continues to forecast first oil in late 2026, with peak production planned to increase to 30,000 bopd by 2028. This transformational growth project is forecast to push IPC production levels on average from approximately 55,000 boepd between 2024 to 2028, to approximately 65,000 boepd between 2029 to 2033.(1)(2)

On Stakeholder Returns, we completed the 2022/2023 NCIB program, purchasing and cancelling 9.3 million IPC common shares over the period of December 5, 2022 to December 4, 2023, representing approximately 6.8% of the common shares outstanding at the start of that program. We immediately recommenced purchasing under the renewed 2023/2024 NCIB, purchasing for cancellation 1.2 million common shares during December 2023 and over 600,000 common shares during January 2024. We confirm our intention to complete the 2023/2024 NCIB by purchasing up to a further 6.5 million common shares by early December 2024, representing a 6.5% reduction in the number of shares common outstanding at the beginning of the 2023/2024 NCIB.

On M&A, we successfully integrated the assets acquired in March 2023 through the acquisition of Cor4 Oil Corp. (Cor4) adjacent to our Suffield property in Alberta, Canada. We continue to advance oil drilling operations in the exciting Ellerslie play.(1)

I am very pleased to have assumed the President and CEO role from January 1, 2024. IPC has a world class set of asset and management teams which is further complemented by a very experienced and skilled Board; this combined with our high-quality assets makes IPC a differentiator amongst the E&P space. I look forward to continuing to advance the proven strategies of IPC in this exciting year of financial strength, operational excellence and continued growth."

2023 Business Highlights

- Average net production of approximately 49,600 boepd for the fourth quarter of 2023 was in line with the high end of the guidance range for the period (52% heavy crude oil, 13% light and medium crude oil and 35% natural gas).[1]
- Full year 2023 average net production was 51,100 boepd, above the high end of annual guidance and a record high for IPC.[1]
- Following the decision in Q1 2023 to develop Phase 1 of the Blackrod project, work on the project has progressed in line within the overall schedule and budget to first oil in late 2026. Key events include signing of the engineering, procurement and fabrication contract with the Engineering, Procurement and Construction (EPC) contractor for the Central Processing Facility and advancement of facility engineering and fabrication works, access road expansion and site civil preparation works, and drilling operations.
- Successfully integrated the Suffield area assets acquired from Cor4 Oil Corp. (Cor4) in March 2023 and executed the drilling program in the Ellerslie play with eight wells drilled in 2023.
- Production sustaining Pad L at Onion Lake Thermal (OLT) successfully brought online, supporting record average daily production in 2023 from the OLT asset.
- Sale of small non-core assets in Canada for MUSD 20, at a significant premium to 2P reserves net present value.[2]
- In Malaysia, successfully completed planned maintenance turnaround at the Bertam field on scope, schedule, and budget.
- In France, successfully delivered three new production wells at Villeperdue West and one side-track well at Merisier.
- 9.3 million common shares purchased and cancelled from December 5, 2022 to December 4, 2023 under IPC's 2022/2023 NCIB and a further 1.8 million common shares purchased for cancellation during December 2023 and January 2024 under the renewed 2023/2024 NCIB. 7% of IPC's common shares outstanding were reduced through the NCIB in 2023.
- In Q3 2023, published IPC's fourth annual Sustainability Report and its first stand-alone report aligned with the Task Force on Climate-Related Financial Disclosures (TCFD).
- Commitment to reduce IPC's net emissions intensity to 20 kg CO_2/boe by 2025 is extended to remain at that level through end 2028.

2023 Financial Highlights

- Operating costs per boe of USD 18.3 for the fourth quarter of 2023 and USD 17.6 for the full year in line with full year guidance of USD 17.5 to 18 per boe.[3]
- Strong operating cash flow (OCF) generation for the fourth quarter and full year 2023 amounted to MUSD 74 and MUSD 353, respectively.[3]
- Capital and decommissioning expenditures of MUSD 130 for the fourth quarter and MUSD 327 for the full year 2023, in line with most recent full year guidance of MUSD 330.
- Positive free cash flow (FCF) generation for the full year 2023 of MUSD 3, with negative FCF generation of MUSD 65 for the fourth quarter in line with expectations and taking into account the significant capital expenditures during the quarter. FCF for the full year 2023, before 2023 Blackrod capital expenditure of MUSD 240, was MUSD 243.[3]
- Net cash of MUSD 58 and gross cash of MUSD 517 as at December 31, 2023.[3]
- Net result of MUSD 30 for the fourth quarter of 2023 and MUSD 173 for the full year 2023.
- Further strengthened IPC's financial position with an increase of IPC's bonds to MUSD 450 due February 2027 and an increase of IPC's undrawn Canadian revolving credit facility to MCAD 180.

Reserves, Resources and Value

- Total 2P reserves as at December 31, 2023 of 468 MMboe, representing a reserves replacement ratio of 78% compared to year-end 2022, with a reserves life index (RLI) of 27 years.[1][2]
- Contingent resources (best estimate, unrisked) as at December 31, 2023 of 1,145 MMboe.[1][2]
- 2P reserves net asset value (NAV) as at December 31, 2023 of MUSD 3,087 (10% discount rate).[1][2][4][5]

2024 Annual Guidance

- Full year 2024 average net production forecast at 46,000 to 48,000 boepd.[1]
- Full year 2024 operating costs guidance forecast at USD 18 to 19 per boe.[3]

- Full year 2024 OCF guidance estimated at between MUSD 261 to 382 (assuming Brent USD 70 to 90 per boel).(3)
- Full year 2024 capital and decommissioning expenditures guidance forecast at MUSD 437, including MUSD 362 relating to continued development of Phase 1 of the Blackrod project.
- Full year 2024 FCF ranges from approximately MUSD 144 to 268 (assuming Brent USD 70 to 90 per boe) before taking into account proposed Blackrod capital expenditures, or MUSD -218 to -94 including proposed Blackrod capital expenditures.(3)

Business Plan Production and Cash Flow Guidance

- 2024 – 2028 business plan forecasts:
  - average net production forecast approximately 55,000 boepd.(1)
  - capital expenditure forecast of USD 11 per boe, including USD 6 per boe for the Blackrod Phase 1 project.
  - operating costs forecast of USD 18 per boe.(3)
  - FCF forecast of approximately MUSD 900 to 1,800 (assuming Brent USD 75 to 95 per boe).(3)(7)
- 2029 – 2033 business plan forecasts:
  - average net production forecast of approximately 65,000 boepd.(1)
  - capital expenditure forecast of USD 5 per boe.
  - operating costs forecast of USD 18 per boe.(3)
  - FCF forecast of approximately MUSD 1,750 to 2,800 (assuming Brent 75 to 95 USD per boe).(3)(7)

	Three months ended December 31		Year ended December 31	
USD Thousands	2023	2022	2023	2022
Revenue	198,460	254,615	853,906	1,129,298
Gross profit	39,955	95,411	250,514	516,709
Net result	29,710	61,183	172,979	337,725
Operating cash flow (3)	73,634	113,668	353,048	622,947
Free cash flow (3)	(64,688)	65,288	2,689	430,242
EBITDA (3)	66,284	125,651	350,618	639,480
Net Cash (3)	58,043	175,098	58,043	175,098

IPC's strategy since launching IPC in April 2017 remains unchanged: to deliver operational excellence through responsible operatorship, maintain financial resilience, maximise the value of our resource base, target growth organically and through acquisitions, and deliver stakeholder returns.

IPC has followed through on this vision resulting in material value creation for all stakeholders through efficient capital allocation and operational proficiency. Since inception, IPC has sustained no material safety incidents across all operating domains, delivered within or ahead of guidance every reporting year, increased the Reserves Life Index (RLI) from 8 years to 27 years largely through 5 accretive acquisitions, and cancelled over 62.5 million common shares.

The company is strongly positioned to continue following through on our strategy supported by a strong balance sheet to start 2024 with net cash of USD 58 million and material production growth expected from the Blackrod Phase 1 development with first oil expected in late 2026.(3)

Following a year of exceptionally high oil and gas prices in 2022 with Brent prices averaging over USD 100 per barrel for the full year 2022, IPC continued to benefit in 2023 from strong oil benchmark prices, with average Brent prices over USD 82 per barrel for the full year. Quarterly average Brent prices during 2023 ranged between USD 78 to USD 87 per barrel. Strong oil and gas demand is expected to continue in 2024 which, along with such factors as OPEC+ decisions to curtail supply, potential market and transportation disruptions due to ongoing geopolitical tensions, and current global observed crude inventory levels at the bottom end of the five-year average, could limit downside risks on commodity prices in 2024. These positive factors may be partially offset by increased forecast supply from countries such as the United States in a Presidential election year, which could be expected to limit price upside.

In Canada, fourth quarter 2023 West Texas Intermediate (WTI) to Western Canadian Select (WCS) crude price differentials averaged around USD 22 per barrel, with average differentials of around USD 18.5 for the full year. The Trans-Mountain (TMX) pipeline is currently expected to commence line-fill in the first half of 2024 which should benefit the WTI/WCS differentials during 2024 and into the future. IPC has hedged the WTI/WCS differential for approximately 70% of our Canadian crude production at USD 15 per barrel and hedged 25% of our WTI exposure for approximately USD 81 per barrel for 2024.

Gas markets in 2023 witnessed a substantial decrease from the 2022 average AECO benchmark prices above CAD 5 per Mcf. The average AECO gas price was CAD 2.30 per Mcf for the fourth quarter of 2023, and an average of CAD 2.60 for the full year 2023. IPC's realized prices for gas were CAD 2.55 per Mcf for the fourth quarter of 2023 and CAD 3.36 per Mcf for the full year 2023, taking into account hedges in place until October 31, 2023.

IPC benefits from a well-balanced mix of production comprising approximately 54% Canadian Crude, 33% Canadian Natural Gas and 13% Brent weighted oil, on average over 2023. With strong commodity pricing, combined with delivering operational excellence above the high end of IPC's 2023 guidance, IPC has again been able to deliver a very strong financial performance in the fourth quarter and throughout the full year 2023.

Fourth Quarter and Full Year 2023 Highlights

During the fourth quarter of 2023, IPC's assets delivered average net production of 49,600 boepd, in line with high-end guidance for the quarter. This was made possible by high operational performance across all of IPC's assets as well as the production contribution from IPC's 2023 investment program in Canada and France, notwithstanding some downtime from two production wells in Malaysia through Q4 which have now been worked-over and are back on-stream as of end January 2024. Full year 2023 average net production of 51,100 boepd was a record high for IPC and on target with guidance of greater than 50,000 boepd.(1)

IPC's operating costs per boe for the fourth quarter of 2023 was USD 18.3. Full year 2023 operating costs per boe was USD 17.6, in line with guidance of USD 17.5 to 18 per boe.(3)

Operating cash flow (OCF) generation for the fourth quarter of 2023 was USD 74 million. Full year 2023 OCF was USD 353 million in line with the most recent guidance of USD 340 to 365 million. (3)

Capital and decommissioning expenditure for the fourth quarter of 2023 was USD 130 million. Full year 2023 capital and decommissioning expenditure of USD 327 million was in line with guidance of USD 330 million.

Free cash flow (FCF) generation was in line with guidance at negative USD 65 million during the fourth quarter of 2023, reflecting the higher level of capital expenditure on the Blackrod Phase 1 development project. Full year 2023 FCF generation was USD 3 million, at the higher end of the most recent guidance of USD -65 to 5 million.(3)

As at December 31, 2023, IPC's net cash position was USD 58 million. IPC's gross cash on the balance sheet amounts to USD 517 million which provides IPC with significant financial strength to continue progressing its strategies in 2024, including advancing the Phase 1 Blackrod development, returning value to shareholders through the 2023/2024 NCIB, and remaining opportunistic to M&A.(3)

Blackrod Project

In Q1 2023, IPC announced the decision to advance the development of Phase 1 of the Blackrod project. Development capital expenditure to first oil is estimated at USD 850 million nominal. First oil of the Phase 1 development is estimated to be in late 2026, with forecast net production of 30,000 bopd by 2028. The Blackrod Phase 1 development targets 218 million barrels of 2P reserves and the sanction case WTI breakeven estimated as of January 1, 2023, using the December 31, 2022 price forecasts of IPC's qualified independent reserves evaluator, Sproule Associates Limited (Sproule), was USD 59 per barrel assuming a 10% discount rate. Following capital expenditure of USD 240 million invested in 2023, the project is forecast to add USD 981 million to IPC's 2P reserves net present value (NPV) as at January 1, 2024, with a WTI breakeven of USD 54.5 per barrel assuming a 10% discount rate, using Sproule's December 31, 2023 price forecasts. IPC forecasts capital expenditure in 2024 for the Blackrod project of USD 362 million, with the remainder of the estimated total project budget to be invested prior to first oil. With greater than 1 billion barrels of contingent resources (best estimate, unrisked) remaining, Blackrod presents material upside to future phase expansions beyond the initial first Phase of development.(1)(2)(4)

Project activities for the multi-year Phase 1 development have progressed in line with schedule and budget. Following the successful completion of Front-End Engineering and Design (FEED) studies through 2022, IPC formerly established a partnership with the Engineering, Procurement and Construction (EPC) contractor in 2023 through contractual commitments for the Central Processing Facility (CPF). As at the end of 2023, major long lead items have been procured, fabrication has commenced, site civil and commercial road expansion works have advanced, drilling is underway, and third-party pipeline commercial agreements are progressing according to plan.

Following significant project milestones achieved through 2023, IPC is well positioned to continue advancing responsible development of the Blackrod Phase 1 development through 2024. With a combination of contractual commitments and financial foreign exchange hedges locked in at more favourable rates than assumed at project sanction, IPC sits comfortably within the overall budget and schedule guidance to first oil. IPC intends to fund the remaining Phase 1 development costs with forecast cash flow generated by its operations and cash on hand.(3)

M&A

IPC was pleased to close the strategic acquisition of Cor4 in March 2023 for a consideration of USD 62 million. The acquisition, located in the Suffield area, brought in 15.9 MMboe of 2P reserves as at January 1, 2023 and delivered greater than 5,000 boepd through 2023. The asset holds high quality mineral rights within the Ellerslie formation, an attractive feature that crystallised through 2023 as eight wells were successfully drilled into this play supporting higher than forecast production rates. The acquired asset team has been effectively integrated within IPC and further synergies within Suffield area are of continued focus as we seek to unlock further value potential.(1)(2)

Following the strategic divestiture of small non-core production and land assets in the greater John Lake area in Canada announced in Q3 2023, IPC further sold non-producing lands in Q4 for a consideration of USD 3.5 million. The total proceeds in aggregate from the non-core dispositions in Q3 and Q4 was in excess of USD 20 million. The 2P reserves and NPV10 as of January 1, 2023 were 0.6 MMboe and USD 7.7 million respectively for the divested properties.(2)(4)

IPC continues to review potential M&A opportunities. IPC has added over USD 2.5 billion of aggregate value in FCF generation and 2P reserves NPV increases, from IPC's last 5 acquisitions.(3)(4)

Stakeholder Returns: Normal Course Issuer Bid

During the period of December 5, 2022 to December 4, 2023, IPC purchased and cancelled an aggregate of approximately 9.3 million common shares under the 2022/2023 normal course issuer bid / share repurchase program (NCIB). The average price of shares purchased under the 2022/2023 NCIB was SEK 102 / CAD 13.0 per share.

In Q4 2023, IPC announced the renewal of the NCIB, with the ability to repurchase up to approximately 8.3 million common shares over the period of December 5, 2023 to December 4, 2024. Under the 2023/2024 NCIB, IPC repurchased and cancelled approximately 1.2 million common shares in December 2023. By the end of January 2024, IPC repurchased for cancellation over 600,000 common shares under the 2023/2024 NCIB. The average price of common shares purchased under the 2023/2024 NCIB during December 2023 and January 2024 was SEK 114.5 / CAD 15 per share.

As at February 6, 2023, IPC had a total of 126,479,966 common shares issued and outstanding, of which IPC holds 102,200 common shares in treasury.

Notwithstanding the record level of capital investment forecast for 2024, IPC confirms its intention to continue to purchase and cancel common shares under the 2023/2024 NCIB to the remaining limit of 6.5 million common shares by December 4, 2024. This would result in the cancellation of 6.5% of shares outstanding as at the beginning of December 2023.

IPC continues to believe that reducing the number of shares outstanding while in parallel investing in material production growth at Blackrod will prove to be a winning formula for our stakeholders.

Environmental, Social and Governance (ESG) Performance

Responsible operatorship and ensuring that IPC adheres to the highest principles of business conduct have been integral parts of how IPC does business since it started in 2017.

With the publication of IPC's second quarter 2023 financial report, IPC was very pleased to publish its fourth Sustainability Report and its first stand-alone report aligned with the Task Force on Climate-Related Financial Disclosures. IPC is committed to the continued advancement of ESG practices in its sustainability focus areas. The Group's six sustainability priorities are:

- Ethics & Integrity
- Rewarding Workplace
- Health & Safety
- Community Engagement
- Climate Action
- Environmental Stewardship

As part of IPC's commitment to operational excellence, its objective is to reduce risk and eliminate hazards to prevent the occurrence of accidents, ill health, and environmental damage, as these are essential to the success of IPC's operations. During the fourth quarter and for the full year 2023, IPC recorded no material safety or environmental incidents.

With respect to climate action, as previously announced, IPC targets a reduction of net GHG emissions intensity by the end of 2025 to 50% of IPC's 2019 baseline and IPC remains on track to achieve this reduction. IPC has extended its commitment to remain at 2025 levels of 20 kg CO_2/boe through to the end of 2028.

Reserves, Resources and Value

As at the end of December 2023, IPC's 2P reserves are 468 MMboe. During 2023, IPC replaced 78% of the annual 2023 production. The reserves life index (RLI) as at December 31, 2023, remains at approximately 27 years.(1)(2)

The net present value (NPV) of IPC's 2P reserves as at December 31, 2023 was USD 3,023 million. IPC's net asset value (NAV) was USD 3,081 or SEK 244 / CAD 32 per share as at December 31, 2023.(1)(2)(4)(5)(6)

In addition, IPC's best estimate contingent resources (unrisked) as at December 31, 2023 are 1,145 MMboe, of which 1,066 MMboe relate to future potential phases of the Blackrod project.(1)(2)

2024 Budget and Operational Guidance

IPC is pleased to announce its 2024 average net production guidance is 46,000 to 48,000 boepd. IPC forecasts operating costs for 2024 to be USD 18 to 19 per boe.(1)(3)

IPC forecasts FCF generation based on its 2P reserves base of in aggregate of more than USD 900 to 1,800 million over the period of 2024 to 2028. In addition, IPC forecasts FCF generation of USD 1,750 to 2,800 million over the period of 2029 to 2033.(2)(3)(7)

IPC's 2024 capital and decommissioning expenditure budget is USD 437 million, with USD 362 million forecast relating to the Phase 1 development of the Blackrod project. The remainder of the 2024 budget in Canada includes, drilling at the Suffield and Ferguson assets, further development of the Mooney asset, and ongoing optimization work. IPC also completed well workover operations in Malaysia by January 2024 and expects to conduct technical studies for future development potential. Following the successful execution of the 2023 drilling campaign in France, the subsurface teams are maturing drilling targets within the Paris Basin.

2024 is set to be a record growth investment year for IPC; we have therefore set a limited sustaining capital expenditure plan of USD 75 million, inclusive of decommissioning, across the producing assets in the portfolio. With robust cashflow being generated from the producing assets and gross cash resources of USD 517 million, IPC intends to fully complete the remaining share buybacks available under the NCIB program through 2024.

In all of IPC's areas of operation, IPC has significant flexibility to control its pace of spend based on the development of commodity prices during 2024.

Further details regarding IPC's proposed 2024 budget and operational guidance will be provided at IPC's Capital Markets Day presentation to be held on February 6, 2024 at 14:00 GMT. A copy of the Capital Markets Day presentation will be available on IPC's website at www.international-petroleum.com.

Notes:

(1) See "Supplemental Information regarding Product Types" in "Reserves and Resources Advisory" below. See also the material change report (MCR) available on IPC's website at www.international-petroleum.com and filed on the date of this press release under IPC's profile on SEDAR+ at www.sedarplus.ca. IPC completed the acquisition of Cor4 Oil Corp. (Cor4) on March 3, 2023. The Financial Statements have been prepared on that basis, with revenues and expenses related to the Brooks assets acquired in the Cor4 acquisition included in the Financial Statements from March 3, 2023. Certain historical 2023 operational and financial information included in the MD&A, including production, operating costs, OCF, FCF and EBITDA related to the assets acquired in the Cor4 acquisition, are reported based on the effective date of the Cor4 acquisition of January 1, 2023.

(2) See "Reserves and Resources Advisory" below. Further information with respect to IPC's reserves, contingent resources and estimates of future net revenue, including assumptions relating to the calculation of NPV, are described in the MCR. Reserves replacement ratio is based on 2P reserves of 471.5 MMboe as at December 31, 2022 (not including 2P reserves related to the Brooks assets acquired in the Cor4 acquisition), sales production during 2023 of 17.7 MMboe, net additions to 2P reserves during 2023 of 16.0 MMboe, other revisions downward of 2.2 MMboe, and 2P reserves of 468 MMboe as at December 31, 2023.

(3) Non-IFRS measure, see "Non-IFRS Measures" below and in the MD&A.

(4) NPV is after tax, discounted at 10% and based upon the forecast prices and other assumptions further described in the MCR. See "Reserves and Resources Advisory" below.

(5) NAV is calculated as NPV plus net cash of USD 58 million as at December 31, 2023.

(6) NAV per share is based on 126,992,066 IPC common shares outstanding as at December 31, 2023. NAV per share is not predictive and may not be reflective of current or future market prices for IPC common shares.

(7) Estimated FCF generation is based on IPC's current business plans over the periods of 2024 to 2028 and 2029 to 2033. Assumptions include average net production of approximately 55 Mboepd over the period of 2024 to 2028, average net production of approximately 65 Mboepd over the period of 2029 to 2033, average Brent oil prices of USD 75 to 95 per boe escalating by 2% per year, and average Brent to Western Canadian Select differentials and average gas prices as estimated by IPC's independent reserves evaluator and as further described in the MCR. IPC's market capitalization is at close on January 19, 2024 (USD 1,378 million based on 113.6 SEK/share, 126.99 million IPC shares outstanding and exchange rate of 10.47 SEK/USD). IPC's current business plans and assumptions, and the business environment, are subject to change. Actual results may differ materially from forward-looking estimates and forecasts. See "Forward-Looking Statements" below.

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".

For further information, please contact:

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This information is information that International Petroleum Corporation is required to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the contact persons set out above, at 07:30 CET on February 6, 2024. The Corporation's audited condensed consolidated financial statements (Financial Statements) and management's discussion and analysis (MD&A) for the three months and year ended December 31, 2023 have been filed on SEDAR+ (www.sedarplus.ca) and are also available on the Corporation's website (www.international-petroleum.com).

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:

- 2024 production range, operating costs, operating cash flow, free cash flow, and capital and decommissioning expenditure estimates;
- 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 continue to react to recent events and navigate the Corporation through periods of volatile commodity prices;
- The ability to fully fund 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 and net present values;
- Future development potential of the Suffield, Brooks, Ferguson and Mooney operations, including the timing and success of future oil and gas drilling and optimization programs;
- Current and future operations and production performance at Onion Lake Thermal;
- The potential improvement in the Canadian oil egress situation and IPC’s ability to benefit from any such improvements;
- The ability of IPC to achieve and maintain current and forecast production in France and Malaysia;
- The intention and ability of IPC to acquire further common shares under the NCIB, including the timing of any such purchases;
- The return of value to IPC’s shareholders as a result of the NCIB;
- The ability of IPC to implement further shareholder distributions in addition to the NCIB;
- IPC’s ability to implement its GHG emissions intensity and climate strategies and to achieve its net GHG emissions intensity reduction targets;
- 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 maintain operations, production and business in light of any future pandemics and the restrictions and disruptions related thereto, including risks related to production delays and interruptions, changes in laws and regulations and reliance on third-party operators and infrastructure;
- IPC’s ability to identify and complete future acquisitions; 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.

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; 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; and changes in legislation, including but not limited to tax laws, royalties, environmental and abandonment regulations.

Additional information on these and other factors that could affect IPC, or its operations or financial results, are included in the MD&A (See “Risk Factors”, "Cautionary Statement Regarding Forward-Looking Information" and “Reserves and Resources Advisory” therein), the Corporation’s material change report dated February 6, 2024 (MCR), the Corporation’s Annual Information Form (AIF) for the year ended December 31, 2022, (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.

Estimated FCF generation is based on IPC's current business plans over the periods of 2024 to 2028 and 2029 to 2033. Assumptions include average net production of approximately 55 Mboepd over the period of 2024 to 2028, average net production of approximately 65 Mboepd over the period of 2029 to 2033, average Brent oil prices of USD 75 to 95 per boe escalating by 2% per year, and average Brent to Western Canadian Select differentials and average gas prices as estimated by IPC's independent reserves evaluator and as further described in the MCR. IPC's current business plans and assumptions, and the business environment, are subject to change. Actual results may differ materially from forward-looking estimates and forecasts.

Non-IFRS Measures

References are made in this press release to "operating cash flow" (OCF), "free cash flow" (FCF), "Earnings Before Interest, Tax, Depreciation and Amortization" (EBITDA), "operating costs" and "net debt"/"net cash", which are not generally accepted accounting measures under International Financial Reporting Standards (IFRS) and do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable with similar measures presented by other public companies. Non-IFRS measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.

The definition of each non-IFRS measure is presented in IPC's MD&A (See "Non-IFRS Measures" therein).

Operating cash flow

The following table sets out how operating cash flow is calculated from figures shown in the Financial Statements:

	Three months ended December 31		Year ended December 31	
USD Thousands	2023	2022	2023	2022
Revenue	198,460	256,479	853,906	1,129,298
Production costs	(126,414)	(127,495)	(491,303)	(476,986)
Current tax	1,588	(15,316)	(14,457)	(29,365)
Operating cash flow	**73,634**	113,668	**348,146**	622,947

The operating cash flow for the year ended December 31, 2023 including the operating cash flow contribution of the Cor4 acquisition from the effective date of January 1, 2023 to the completion date of March 3, 2023 amounted to USD 353,048 thousand.

Free cash flow

The following table sets out how free cash flow is calculated from figures shown in the Financial Statements:

	Three months ended December 31		Year ended December 31	
USD Thousands	2023	2022	2023	2022
Operating cash flow - see above	73,634	113,668	348,146	622,947
Capital expenditures	(128,825)	(42,792)	(312,729)	(157,662)
Abandonment and farm-in expenditures[1]	(1,516)	(1,085)	(9,199)	(6,962)
General, administration and depreciation expenses before depreciation[2]	(5,762)	(3,333)	(16,886)	(12,832)
Cash financial items[3]	(2,219)	(1,170)	(5,812)	(15,249)
Free cash flow	**(64,688)**	65,288	**3,520**	430,242

[1] See note 20 to the Financial Statements
[2] Depreciation is not specifically disclosed in the Financial Statements
[3] See notes 5 and 6 to the Financial Statements

The free cash flow for the year ended December 31, 2023 including the free cash flow contribution of the Cor4 acquisition from the effective date of January 1, 2023 to the completion date of March 3, 2023 amounted to USD 2,689 thousand.

EBITDA

The following table sets out the reconciliation from net result from the consolidated statement of operations to EBITDA:

	Three months ended December 31		Year ended December 31	
USD Thousands	2023	2022	2023	2022
Net result	29,710	61,183	172,979	337,725
Net financial items	6,509	6,002	22,736	37,131
Income tax	4,691	24,486	55,362	127,413
Depletion	30,434	30,320	101,922	122,041
Depreciation of other tangible fixed assets	1,309	2,695	7,812	10,787
Exploration and business development costs	348	558	2,355	2,775
Depreciation included in general, administration and depreciation expenses [1]	389	407	1,569	1,609

Sale of assets	(7,016)	-	(19,018)	-
EBITDA	**66,284**	125,651	**345,717**	639,480

[1] Item is not shown in the Financial Statements

The EBITDA for the year ended December 31, 2023 including the EBITDA contribution of the Cor4 acquisition from the effective date of January 1, 2023 to the completion date of March 3, 2023 amounted to USD 350,618 thousand.

Operating costs

The following table sets out how operating costs is calculated:

	Three months ended December 31		Year ended December 31	
USD Thousands	2023	2022	2023	2022
Production costs	126,414	127,495	491,303	483,646
Cost of blending	(44,473)	(46,534)	(172,996)	(189,172)
Change in inventory position	1,427	(4,592)	3,655	(158)
Operating costs	**83,368**	76,369	**321,962**	294,316

The operating costs for the year ended December 31, 2023 including the operating costs contribution of the Cor4 acquisition from the effective date of January 1, 2023 to the completion date of March 3, 2023 amounted to USD 328,763 thousand.

Net cash

The following table sets out how net cash is calculated from figures shown in the Financial Statements:

USD Thousands	December 31, 2023	December 31, 2022
Bank loans	(9,031)	(12,142)
Bonds [1]	(450,000)	(300,000)
Cash and cash equivalents	517,074	487,240
Net cash	**58,043**	175,098

[1] The bond amount represents the redeemable value at maturity (February 2027).

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 and the MCR. 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” below.

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, 2023, and are included in the reports prepared by Sproule Associates Limited (Sproule), 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’s December 31, 2023 price forecasts.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC’s oil and gas assets in France and Malaysia are effective as of December 31, 2023, and are included in the report prepared by ERC Equipoise Ltd. (ERCE), an independent qualified reserves auditor, in accordance with NI 51-101 and the COGE Handbook, and using Sproule’s December 31, 2023 price forecasts.

The price forecasts used in the Sproule and ERCE reports are available on the website of Sproule (sproule.com) and are contained in the MCR. These price forecasts are as at December 31, 2023 and may not be reflective of current and future forecast commodity prices.

The reserve life index (RLI) is calculated by dividing the 2P reserves of 468 MMboe as at December 31, 2023 by the mid-point of the 2024 CMD production guidance of 46,000 to 48,000 boepd. Reserves replacement ratio is based on 2P reserves of 471.5 MMboe as at December 31, 2022 (not including 2P reserves related to the Brooks assets acquired in the Cor4 acquisition), sales production during 2023 of 17.7 MMboe, net additions to 2P reserves during 2023 of 16.0 MMboe, other revisions downward of 2.2 MMboe, and 2P reserves of 468 MMboe as at December 31, 2023.

The reserves and resources information and data provided in this press release present only a portion of the disclosure required under NI 51-101. All of the required information will be contained in the Corporation’s Annual Information Form for the year ended December 31, 2023, which will be filed on SEDAR+ (accessible at www.sedarplus.ca) on or before April 1, 2024. Further information with respect to IPC’s reserves, contingent resources and estimates of future net revenue, including assumptions relating to the calculation of net present value and other relevant information related to the contingent resources disclosed, is disclosed in the MCR available under IPC’s profile on www.sedarplus.ca and on IPC’s website at www.international-petroleum.com.

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.

Supplemental Information regarding Product Types

The following table is intended to provide supplemental information about the product type composition of IPC's net average daily production figures provided in this press release:

	Heavy Crude Oil (Mbopd)	Light and Medium Crude Oil (Mbopd)	Conventional Natural Gas (per day)	Total (Mboepd)
Three months ended				
December 31, 2023	25.7	6.6	103.8 MMcf (17.3 Mboe)	49.6
December 31, 2022	22.6	10.3	98.1 MMcf (16.4 Mboe)	49.2
Year ended				
December 31, 2023	25.8	8.1	102.8 MMcf (17.1 Mboe)	51.1
December 31, 2022	22.6	9.6	98.1 MMcf (16.4 Mboe)	48.6

This press release also makes reference to IPC's forecast total average daily production of 46,000 to 48,000 boepd for 2024. IPC estimates that approximately 51% of that production will be comprised of heavy oil, approximately 15% will be comprised of light and medium crude oil and approximately 34% will be comprised of conventional natural gas.

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. References herein to CAD mean Canadian dollars.

MCR 2023

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