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 12, 2019

3. News Release:

On February 12, 2019, a news release was disseminated through the facilities of GlobeNewswire and subsequently filed under IPC's corporate profile on SEDAR at www.sedar.com.

4. Summary of Material Change:

On February 12, 2019, in addition to releasing its financial and operating results and related management's discussion and analysis for the year ended December 31, 2018 (MD&A), IPC announced its 2019 capital expenditure budget range of USD 146 million to 166 million and its 2019 production guidance of between 46,000 and 50,000 barrels of oil equivalent (boe) per day (boepd). IPC also announced that 2018 year-end reserves and contingent resources more than doubled and increased by thirteen times respectively to 288 million boe (MMboe) and 849 MMboe.

IPC also stated that further details will be provided at IPC's Capital Markets Day presentation to be held on February 12, 2019. A copy of the Capital Markets Day presentation will be available on IPC's website at www.international-petroleum.com.

The news release and Capital Markets Day presentation refer to the Corporation's reserve estimates, contingent resource estimates, prospective resource estimates and estimates of future net revenue, as further described in the attached news release and "Disclosure of Year End 2018 Reserves and Resources Data and Other Oil and Gas Information".

5. Full Description of Material Change:

5.1 Full Description of Material Change

Please see attached "Disclosure of Year End 2018 Reserves and Resources Data and Other Oil and Gas Information" and news release dated February 12, 2019.

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:

Jeffrey Fountain
General Counsel and Corporate Secretary
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9. Date of Report:

February 12, 2019

Disclosure of Year End 2018 Reserves and Resources Data and Other Oil and Gas Information

Part I – Date of Statement

February 12, 2019

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

Reserves estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in the Suffield area of Canada are effective as of December 31, 2018, and are included in the report prepared by McDaniel & Associates Consultants Ltd. (McDaniel), 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 McDaniel's January 1, 2019 price forecasts. The report by McDaniel is dated February 7, 2019.

Reserves estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in the Onion Lake, Blackrod and Mooney areas of Canada are effective as of December 31, 2018, and are included in the report prepared by Sproule Associates Limited (Sproule), an independent qualified reserves evaluator, in accordance with NI 51-101 and the COGE Handbook, and using McDaniel's January 1, 2019 price forecasts. The report by Sproule is dated January 28, 2019.

Reserve estimates, contingent resource estimates, prospective 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, 2018, 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 McDaniel's January 1, 2019 price forecasts. The report by ERCE is dated February 5, 2019.

The price forecasts used in the reserve reports are available on the website of McDaniel (www.mcdan.com), and are provided in Part III – Pricing Assumptions.

2P reserves and contingent resources included in the reports prepared by ERCE, Sproule and McDaniel 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. This document contains estimates of the net present value of the future net revenue from IPC's reserves. 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 evaluations will be attained and variances could be material.

The reserves and resources information and data provided in this document presents 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, 2018, which will be filed on SEDAR (accessible at www.sedar.com) on or before April 1, 2019.

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 (Non-Associated & Associated)		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	-	-	36.8	32.2	-	-	0.0	0.0	346.0	327.9	94.5	86.9
France	-	-	-	-	6.9	6.1	-	-	-	-	6.9	6.1
Malaysia	-	-	-	-	5.0	4.3	-	-	-	-	5.0	4.3
IPC Total	**-**	**-**	**36.8**	**32.2**	**11.9**	**10.4**	**0.0**	**0.0**	**346.0**	**327.9**	**106.4**	**97.3**
Proved Developed Non-Producing												
Canada	-	-	8.4	7.1	-	-	0.0	0.0	22.4	21.3	12.1	10.6
France	-	-	-	-	0.1	0.1	-	-	-	-	0.1	0.1
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	**-**	**-**	**8.4**	**7.1**	**0.1**	**0.1**	**0.0**	**0.0**	**22.4**	**21.3**	**12.3**	**10.7**
Proved Undeveloped												
Canada	-	-	67.2	54.9	-	-	0.0	0.0	1.1	1.1	67.4	55.1
France	-	-	-	-	2.76	2.37	-	-	-	-	2.76	2.37
Malaysia	-	-	-	-	1.5	1.3	-	-	-	-	1.5	1.3
IPC Total	**-**	**-**	**67.2**	**54.9**	**4.3**	**3.7**	**0.0**	**0.0**	**1.1**	**1.1**	**71.7**	**58.8**
Total Proved (1P)												
Canada	-	-	112.4	94.2	-	-	0.0	0.0	369.5	350.3	174.0	152.6
France	-	-	-	-	9.8	8.6	-	-	-	-	9.8	8.6
Malaysia	-	-	-	-	6.5	5.6	-	-	-	-	6.5	5.6
IPC Total	**-**	**-**	**112.4**	**94.2**	**16.3**	**14.2**	**0.0**	**0.0**	**369.5**	**350.3**	**190.3**	**166.8**

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 (Non-Associated & Associated)		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	-	-	53.8	45.9	-	-	0.0	0.0	393.5	373.0	119.4	108.1
France	-	-	-	-	12.8	11.3	-	-	-	-	12.8	11.3
Malaysia	-	-	-	-	7.1	6.1	-	-	-	-	7.1	6.1
IPC Total	**-**	**-**	**53.8**	**45.9**	**19.9**	**17.4**	**0.0**	**0.0**	**393.5**	**373.0**	**139.3**	**125.5**
Proved plus Probable Developed Non-Producing												
Canada	-	-	17.2	14.2	-	-	0.0	0.0	52.2	49.1	25.9	22.5
France	-	-	-	-	0.2	0.2	-	-	-	-	0.2	0.2
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	**-**	**-**	**17.2**	**14.2**	**0.2**	**0.2**	**0.0**	**0.0**	**52.2**	**49.1**	**26.1**	**22.7**
Proved plus Probable Undeveloped												
Canada	-	-	114.8	92.3	-	-	0.0	0.0	1.8	1.7	115.1	92.5
France	-	-	-	-	5.3	4.5	-	-	-	-	5.3	4.5
Malaysia	-	-	-	-	2.2	1.8	-	-	-	-	2.2	1.8
IPC Total	**-**	**-**	**114.8**	**92.3**	**7.4**	**6.3**	**0.0**	**0.0**	**1.8**	**1.7**	**122.6**	**98.8**
Total Proved plus Probable (2P)												
Canada	-	-	185.8	152.4	-	-	0.1	0.0	447.5	423.8	260.4	223.1
France	-	-	-	-	18.3	16.0	-	-	-	-	18.3	16.0
Malaysia	-	-	-	-	9.3	7.9	-	-	-	-	9.3	7.9
IPC Total	**-**	**-**	**185.8**	**152.4**	**27.6**	**23.9**	**0.1**	**0.0**	**447.5**	**423.8**	**288.0**	**247.0**
Total Probable (PB)												
Canada	-	-	73.4	58.2	-	-	0.0	0.0	78.0	73.5	86.4	70.5
France	-	-	-	-	8.5	7.4	-	-	-	-	8.5	7.4
Malaysia	-	-	-	-	2.8	2.3	-	-	-	-	2.8	2.3
IPC Total	**-**	**-**	**73.4**	**58.2**	**11.3**	**9.7**	**0.0**	**0.0**	**78.0**	**73.5**	**97.6**	**80.2**

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

	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	804.4	813.9	772.4	740.3	661.0	591.6	707.1	737.6	705.4	678.5	609.7	548.1	8.52
France	127.9	124.5	115.7	109.3	94.2	81.7	77.0	86.5	82.9	79.3	69.5	60.6	17.9
Malaysia	185.2	174.3	168.4	164.7	156.2	148.6	185.2	174.3	168.4	164.7	156.2	148.6	38.4
IPC Total	**1,117.5**	**1,112.7**	**1,056.5**	**1,014.3**	**911.4**	**821.9**	**969.3**	**998.4**	**956.7**	**922.5**	**835.4**	**757.3**	**10.42**
Proved Developed Non-Producing													
Canada	174.5	141.6	124.6	114.5	93.1	76.3	161.4	131.8	116.2	106.9	87.0	71.4	10.8
France	2.0	1.4	1.1	0.9	0.6	0.4	1.5	1.0	0.8	0.6	0.4	0.2	7.6
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	**176.6**	**143.0**	**125.7**	**115.4**	**93.7**	**76.7**	**163.0**	**132.8**	**117.0**	**107.5**	**87.4**	**71.6**	**10.8**
Proved Undeveloped													
Canada	1,224.9	679.2	487.6	394.4	238.4	148.5	913.8	499.3	354.4	284.1	167.2	100.6	7.2
France	55.3	22.8	10.3	3.9	-7.6	-15.0	40.7	15.6	5.7	0.5	-9.0	-15.2	1.6
Malaysia	51.7	43.6	39.4	36.9	31.4	26.7	51.7	43.6	39.4	36.9	31.4	26.7	28.4
IPC Total	**1,331.9**	**745.6**	**537.3**	**435.2**	**262.2**	**160.2**	**1,006.2**	**558.5**	**399.5**	**321.5**	**189.6**	**112.1**	**7.4**
Total Proved													
Canada	2,203.8	1,634.7	1,384.6	1,249.2	992.4	816.4	1,782.4	1,368.7	1,176.0	1,069.5	863.9	720.1	8.2
France	185.3	148.7	127.1	114.1	87.2	67.1	119.2	103.1	89.3	80.4	60.8	45.6	13.3
Malaysia	236.9	217.9	207.8	201.6	187.6	175.4	236.9	217.9	207.8	201.6	187.6	175.4	36.1
IPC Total	**2,626.0**	**2,001.3**	**1,719.5**	**1,564.9**	**1,267.2**	**1,058.9**	**2,138.5**	**1,689.7**	**1,473.1**	**1,351.5**	**1,112.3**	**941.1**	**9.4**

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

	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	1,260.7	1,149.8	1,050.6	986.8	847.0	736.3	1,093.9	1,027.5	947.0	893.3	772.9	675.8	9.1
France	332.6	248.1	208.8	187.8	148.9	122.9	223.0	180.1	153.8	139.0	110.9	91.7	16.6
Malaysia	303.7	276.3	262.1	253.5	234.3	218.0	298.6	272.0	258.2	249.8	231.1	215.3	41.6
IPC Total	**1,897.0**	**1,674.2**	**1,521.5**	**1,428.1**	**1,230.2**	**1,077.2**	**1,615.5**	**1,479.6**	**1,359.0**	**1,282.1**	**1,114.9**	**982.8**	**11.4**
Proved plus Probable Developed Non-Producing													
Canada	434.5	321.2	270.8	242.8	187.7	148.1	314.6	234.0	197.8	177.7	138.0	109.4	10.8
France	5.4	3.2	2.5	2.1	1.4	1.0	4.0	2.3	1.8	1.5	1.0	0.7	10.4
Malaysia	-	-	-		-	-	-	-	-	-	-	-	-
IPC Total	**439.9**	**324.4**	**273.2**	**244.9**	**189.2**	**149.2**	**318.6**	**236.3**	**199.6**	**179.2**	**139.0**	**110.1**	**10.8**
Proved plus Probable Undeveloped													
Canada	2,689.1	1,338.1	914.5	719.8	413.2	248.7	1,972.6	969.3	654.9	510.8	284.7	164.3	7.8
France	163.0	95.2	68.1	54.3	29.8	14.2	118.8	69.2	48.2	37.4	18.1	5.8	12.0
Malaysia	86.5	73.3	66.6	62.6	53.8	46.6	68.3	57.4	52.0	48.7	41.5	35.6	35.2
IPC Total	**2,938.6**	**1,506.6**	**1,049.2**	**836.7**	**496.9**	**309.6**	**2,159.7**	**1,095.9**	**755.1**	**596.9**	**344.4**	**205.8**	**8.5**
Total Proved plus Probable (2P)													
Canada	4,384.3	2,809.1	2,235.9	1,949.5	1,448.0	1,133.2	3,381.2	2,230.8	1,799.7	1,581.7	1,195.6	949.6	8.7
France	501.1	346.5	279.4	244.2	180.1	138.1	345.8	251.6	203.8	178.0	130.0	98.2	15.2
Malaysia	390.2	349.6	328.7	316.1	288.1	264.6	366.9	329.4	310.2	298.5	272.7	250.9	40.1
IPC Total	**5,275.6**	**3,505.2**	**2,844.0**	**2,509.8**	**1,916.2**	**1,535.9**	**4,093.9**	**2,811.8**	**2,313.7**	**2,058.2**	**1,598.3**	**1,298.7**	**10.2**
Total Probable (PB)													
Canada	2,180.5	1,174.4	851.2	700.3	455.6	316.8	1,598.8	862.1	623.7	512.2	331.7	229.5	9.9
France	315.8	197.8	152.3	130.1	92.9	71.0	226.6	148.5	114.5	97.6	69.2	52.6	17.5
Malaysia	153.3	131.7	120.9	114.5	100.5	89.2	130.0	111.5	102.4	96.9	85.1	75.5	50.0
IPC Total	**2,649.6**	**1,503.9**	**1,124.4**	**944.9**	**649.0**	**477.0**	**1,955.4**	**1,122.1**	**840.6**	**706.7**	**486.0**	**357.6**	**11.8**

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.$	Develop-ment Costs MM U.S.$	Abandon-ment 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	6,753	960	2,448	716	436	2,204	421	1,782
France	800	95	361	73	86	185	66	119
Malaysia	649	49	294	45	24	237	-	237
IPC Total	**8,202**	**1,104**	**3,103**	**835**	**546**	**2,626**	**487**	**2,139**
Total Proved plus Probable								
Canada	11,436	1,871	3,825	884	484	4,384	1,003	3,381
France	1645	194	752	85	114	501	155	346
Malaysia	880	71	349	45	25	390	23	367
IPC Total	**13,962**	**2,136**	**4,925**	**1,014**	**623**	**5,276**	**1,182**	**4,094**

Part III – Pricing Assumptions

Forecast prices used in this document are sourced from the McDaniel forecast published January 1, 2019.

Item 3.2 – Forecast Prices Used in Estimates

	Brent (U.S.$/bbl)	WTI Crude Oil (U.S.$/bbl)	Edmonton Light Crude Oil ($Cdn/bbl)	Western Canadian Select ($Cdn/bbl)	Natural Gas AECO ($Cdn/bbl)	Natural Gas Empress ($Cdn/bbl)	Capital Cost Inflation Rate (%/yr)	USD/CAD Exchange Rate ($US/$Cdn)
Historical								
2014	99.00	93.00	93.50	79.10	4.40	4.53		0.906
2015	52.35	48.80	57.75	44.80	2.80	3.00		0.780
2016	43.55	43.30	53.85	39.00	2.10	2.31		0.760
2017	54.25	50.90	62.85	50.70	2.40	2.83		0.770
2018	71.30	65.00	72.20	52.70	1.55	2.85		0.770
Forecast								
2019	64.50	56.50	63.30	47.50	1.85	2.85	0.0	0.750
2020	67.90	63.80	74.30	58.00	2.20	2.90	2.0	0.775
2021	70.70	67.60	78.50	64.40	2.55	3.00	2.0	0.800
2022	73.70	71.60	83.40	68.40	3.05	3.20	2.0	0.800
2023	75.30	73.10	85.10	69.80	3.20	3.35	2.0	0.800
2024	76.70	74.50	86.80	71.20	3.30	3.45	2.0	0.800
2025	78.30	76.00	88.50	72.60	3.35	3.50	2.0	0.800
2026	79.80	77.50	90.30	74.00	3.40	3.55	2.0	0.800
2027	81.40	79.10	92.10	75.50	3.45	3.65	2.0	0.800
2028	83.10	80.70	94.00	77.10	3.55	3.75	2.0	0.800
2029	84.70	82.30	95.80	78.60	3.60	3.80	2.0	0.800
2030	86.40	83.90	97.70	80.10	3.70	3.90	2.0	0.800
2031	88.10	85.60	99.70	81.80	3.75	3.95	2.0	0.800
2032	89.90	87.30	101.70	83.40	3.80	4.00	2.0	0.800
2033	91.70	89.10	103.80	85.10	3.90	4.10	2.0	0.800
Thereafter	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	2.0	0.800

International Currency Exchange Rate Assumptions

Rate	2019	2020	2021	2022	2023 on
USD/GBP	1.30	1.30	1.30	1.30	1.30
USD/EUR	1.15	1.15	1.15	1.15	1.15
MYR/USD	4.20	4.20	4.20	4.20	4.20

Part IV – Reconciliation of Changes in Reserves

Item 4.1 – Reserves Reconciliation

	Malaysia Light & Medium Oil	France Light & Medium Oil	Netherlands Conventional Natural Gas	Canada Heavy Oil	Canada Conventional Natural Gas	IPC Total Oil Equivalent
	MMboe	MMboe	MMboe	MMboe	MMboe	MMboe
Reconciliation of Working Interest Proved Reserves						
Opening Balance Dec 31, 2017	3.9	8.8	1.0	18.9	59.6	92.3
extensions and improved recovery	+ 2.0	+ 0.4	-	+ 0.2	+ 0.0	+ 2.6
technical revisions	+ 3.2	+ 1.5	-	+ 2.1	+ 8.1	+ 14.9
acquisitions	-	-	-	+ 93.8	-	+ 93.8
dispositions	-	-	- 0.7	-	-	- 0.7
economic factors	-	+ 0.0	-	-	- 0.0	- 0.0
production	- 2.6	- 0.9	- 0.3	- 2.5	- 6.1	- 12.4
Closing Balance Dec 31, 2018	6.5	9.8	-	112.4	61.6	190.3
Reconciliation of Working Interest Probable Reserves						
Opening Balance Dec 31, 2017	5.2	8.8	0.8	8.4	13.5	36.8
extensions and improved recovery	+ 0.9	+ 1.1	-	+ 0.1	+ 0.0	+ 2.0
technical revisions	- 3.2	- 1.2	-	- 1.5	- 0.5	- 6.5
acquisitions	-	-	-	+ 66.4	+ 0.0	+ 66.4
dispositions	-	-	- 0.8	-	-	- 0.8
economic factors	-	- 0.2	-	-	- 0.0	- 0.2
production	-	-	-	-	-	-
Closing Balance Dec 31, 2018	2.8	8.5	-	73.4	13.0	97.6
Reconciliation of Working Interest Proved plus Probable Reserves						
Opening Balance Dec 31, 2017	9.1	17.6	1.8	27.3	73.2	129.1
extensions and improved recovery	+ 2.9	+ 1.5	-	+ 0.2	+ 0.0	+ 4.7
technical revisions	- 0.0	+ 0.3	-	+ 0.5	+ 7.6	+ 8.3
acquisitions	-	-	-	+ 160.1	-	+ 160.1
dispositions	-	-	- 1.6	-	-	- 1.6
economic factors	-	- 0.2	-	-	- 0.1	- 0.2
production	- 2.6	- 0.9	- 0.3	- 2.5	- 6.1	- 12.4
Closing Balance Dec 31, 2018	9.3	18.3	-	185.8	74.6	288.0

Part V – Additional Information Relating to Reserves Data

Item 5.3 Future Development Costs

	2019	2020	2021	2022	2023	2024 on	Total for all years undiscounted	Total for all years discounted at 10% p.a.
Total Proved								
France	37.4	36.0	-	-	-	-	73.4	67.0
Malaysia	36.2	8.6	-	-	-	-	44.8	41.4
Canada	44.8	41.9	72.7	19.1	39.9	498.0	716.4	346.4
Total	**118.4**	**86.5**	**72.7**	**19.1**	**39.9**	**498.0**	**834.6**	**454.8**
Total Proved Plus Probable								
France	38.2	46.1	0.6	-	-	-	85.0	77.0
Malaysia	36.2	8.6	-	-	-	-	44.8	41.4
Canada	47.9	94.5	96.3	43.5	56.4	545.3	884.0	423.2
Total	**122.4**	**149.2**	**97.0**	**43.5**	**56.4**	**545.3**	**1,013.7**	**541.5**

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 where possible 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 – 2019 Forecast Saleable Production Estimates in Reserves Report

	Bitumen (Mbbl/d)	Light & Medium Crude Oil (Mbbl/d)	Heavy Crude Oil (Mboe/d)	Convent-Ional Natural Gas (Mboe/d)	Natural Gas Liquids (Mboe/d)	Total (Mboe/d)
Total Proved (1P) Scenario						
France	-	2.1	-	-		2.1
Malaysia	-	5.4	-	-		5.4
Canada	-	-	21.3	17.2		38.5
Total	-	7.5	21.3	17.2		46.0
Total Proved plus Probable (2P) Scenario						
France	-	2.4	-	-		2.4
Malaysia	-	6.1	-	-		6.1
Canada	-	-	22.0	17.5		39.5
Total	-	8.5	22.0	17.5		48.0

APPENDIX A: CONTINGENT RESOURCES DATA

Working Interest Contingent Resources	Project Type	Technology	Economic Sub Class	Project Maturity	Project Evaluation	WI
Malaysia						
Bertram Field	None					
France Paris Basin						
Amaltheus	Development Drilling, Improved Water Injection	Established	not determined	Development Unclarified	Conceptual	100%
Courdemanges	Development Drilling, Improved Water Injection	Established	not determined	Development Unclarified	Conceptual	100%
Dommartin Lettree	Development Drilling, Improved Water Injection	Established	not determined	Development Unclarified	Conceptual	43.01%
Genievre	Improved water injection	Established	not determined	Development Unclarified	Conceptual	100%
Grandville	Development Drilling	Established	not determined	Development Unclarified	Conceptual	100%
Mersier	Development Drilling	Established	not determined	Development Unclarified	Conceptual	100%
Soudron	Development Drilling, Improved Water Injection	Established	not determined	Development Unclarified	Conceptual	100%
Vert La Gravelle	Development Drilling	Established	not determined	Development Unclarified	Conceptual	100%
Villeperdue	Development Drilling, Improved Water Injection	Established	not determined	Development Unclarified	Conceptual	100%
Villeseneux	Development Drilling	Established	not determined	Development Unclarified	Conceptual	100%
France Aquitaine Basin						
Courbey	Development Drilling	Established	not determined	Development Unclarified	Conceptual	50%
Canada Suffield Area						
Washover Pools						
P3P Pool	ASP	Established	Sub-Economic	Development Unclarified	Conceptual	100%
D2D Pool	ASP	Established	Sub-Economic	Development Unclarified	Conceptual	100%
M3M Pool	WF+ASP	Established	Sub-Economic	Development Unclarified	Conceptual	100%
F3F Pool	WF+ASP	Established	Sub-Economic	Development Unclarified	Conceptual	100%
G2G Pool	WF+ASP	Established	Sub-Economic	Development Unclarified	Conceptual	100%
O3O Pool	WF+ASP	Established	Sub-Economic	Development Unclarified	Conceptual	100%
Oil Development Drilling (133)						
Glauconitic	Development Drilling (81)	Established	Economic	Development On-hold	Conceptual	100%
Glauconitic	Development Drilling (52)	Established	Sub-Economic	Development Unclarified	Conceptual	100%
Gas Development Drilling (2540) and Optimization						
Alderson	Development Drilling (470)	Established	Sub-Economic	Development Unclarified	Conceptual	100%
Suffield	Development Drilling (1,063)	Established	Economic	Development On-hold	Conceptual	100%
Suffield	Development Drilling (1,009)	Established	Sub-Economic	Development Unclarified	Conceptual	100%
Suffield	Siphon String Pulls (281)	Established	Economic	Development On-hold	Conceptual	100%
Canada - Blackrod, Mooney, and Onion Lake Properties						
Blackrod - Phase I	Field Development	Established	Economic	Development On-hold	Pre-Development Study	100%
Blackrod-Phase II and III	Field Development Expansion	Established	Economic	Development On-hold	Pre-Development Study	100%
Mooney Phase II	Development Drilling and ASP	Established	Economic	Development On-hold	Development Study	100%
Onion Lake Phase IV Thermal	Field Development Expansion	Established	Economic	Development On-hold	Development Study	100%
Onion Lake Primary	Development Drilling (28)	Established	Economic	Development On-hold	Development Study	100%

Working Interest Contingent Resource

	Light Crude Oil & Medium Crude Oil Mbbl			Heavy Crude Oil Mbbl			Bitumen Mbbl			Conventional Natural Gas MMscf			Total Oil Equivalent Mboe			Chance of Development
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	
Malaysia																
Bertram Field	-	-	-	-	-	-	-	-	-				-	-	-	-
France Paris Basin																
Amaltheus	187	698	1,237	-	-	-	-	-	-				187	698	1,237	50%
Courdemanges	445	1,678	2,792	-	-	-	-	-	-				445	1,678	2,792	50%
Dommartin Lettree	433	952	1,266	-	-	-	-	-	-				433	952	1,266	50%
Genievre	-	89	266	-	-	-	-	-	-				-	89	266	50%
Grandville	-	1,558	2,072	-	-	-	-	-	-				-	1,558	2,072	50%
Mersier	686	2,712	4,230	-	-	-	-	-	-				686	2,712	4,230	50%
Soudron	1,238	1,620	2,632	-	-	-	-	-	-				1,238	1,620	2,632	50%
Vert La Gravelle	-	104	1,010	-	-	-	-	-	-				-	104	1,010	50%
Villeperdue	2,279	3,845	5,353	-	-	-	-	-	-				2,279	3,845	5,353	30%
Villeseneux	166	539	577	-	-	-	-	-	-				166	539	577	50%
France Aquitaine Basin																
Courbey	1,300	2,150	3,700	-	-	-	-	-	-				1,300	2,150	3,700	50%
Subtotal France	6,733	15,495	25,133										6733	15945	25133	
Canada Suffield Area																
Washover Pools																
P3P Pool				498	672	908							498	672	908	50%
D2D Pool				372	502	678							372	502	678	50%
M3M Pool				351	474	639							351	474	639	50%
F3F Pool				131	176	238							131	176	238	50%
G2G Pool				1241	1,675	2261							1,241	1,675	2,261	50%
O3O Pool				191	258	349							191	258	349	50%
Subtotal Washover Pools				2,783	3,758	5,073							2,783	3,758	5,073	
Oil Development Drilling (133)																
Glauconitic				3236	4,369	5898							3236	4,369	5898	70%
Glauconitic				1,111	1,500	2,025							1,111	1,500	2,025	50%
Subtotal Oil Drilling				4,347	5,869	7,923							4,347	5,869	7,923	
Gas Development Drilling (2540) and Gas Optimization																
Alderson										36,076	45,095	56,368	6,013	7,516	9,395	70%
Suffield										103,610	129,512	161,890	17,268	21,585	26,982	70%
Suffield										45,712	57,140	71,425	7,619	9,523	11,904	50%
Subtotal Gas Drilling										185,398	231,747	289,683	30,900	38,625	48,281	
Gas Optimization (281)										2,698	3,372	4,215	450	562	703	70%
Canada - Blackrod, Mooney, and Onion Lake Properties																
Blackrod - Phase I				-	-	-	159,175	177,513	196,384	-	-	-	159,175	177,513	196,384	94%
Blackrod-Phase II and III				-	-	-	505,359	566,135	626,921	-	-	-	505,359	566,135	626,921	77%
Mooney Phase II				12,378	15,904	20,841	-	-	-	-	-	-	12,378	15,904	20,841	71%
Onion Lake Phase IV Thermal				17,210	23,588	30,961	-	-	-	-	-	-	17,210	23,588	30,961	85%
Onion Lake Primary				929	1,154	1,423							929	1,154	1,423	90%
Subtotal Blackrod, Moooney, and Onion Lake Properties				30,518	40,646	53,224	664,534	743,648	823,304	-	-	-	695,051	784,293	876,528	

Working Interest Contingent Resource
Development unclarified status

	Light Crude Oil & Medium Crude Oil Mbbl			Heavy Crude Oil Mbbl			Bitumen Mbbl			Conventional Natural Gas MMscf			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Subtotal by Country															
Un-risked															
Malaysia															
France	6,733	15,945	25,133										6,733	15,945	25,133
Canada				3,895	5,257	7,098				81,788	102,235	127,793	17,526	22,296	28,397
Total Unrisked	**6,733**	**15,945**	**25,133**	**3,895**	**5,257**	**7,098**				**81,788**	**102,235**	**127,793**	**24,259**	**38,241**	**53,530**
Subtotal by Country															
Risked by Chance of Development															
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France	2,911	7,204	11,496										2,911	7,204	11,496
Canada				1,948	2,629	3,549				40,894	51,118	63,897	8,763	11,148	14,198
Total Risked	**2,911**	**7,204**	**11,496**	**1,948**	**2,629**	**3,549**				**40,894**	**51,118**	**63,897**	**11,674**	**18,352**	**25,695**

Working Interest Contingent Resource
Development On-hold status

Working Interest Contingent Resource	Light Crude Oil & Medium Crude Oil Mbbl			Heavy Crude Oil Mbbl			Bitumen Mbbl			Conventional Natural Gas MMscf			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Subtotal by Country															
Un-risked															
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France															
Canada				33,754	45,015	59,122	664,534	743,648	823,304	106,308	132,884	166,105	716,005	810,810	910,111
Total Unrisked				**33,754**	**45,015**	**59,122**	**664,534**	**743,648**	**823,304**	**106,308**	**132,884**	**166,105**	**716,005**	**810,810**	**910,111**
Subtotal by Country															
Risked by Chance of Development															
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France															
Canada				26,519	35,438	46,523	538,751	602,786	667,329	74,416	93,019	116,274	577,672	653,727	733,231
Total Risked				**26,519**	**35,438**	**46,523**	**538,751**	**602,786**	**667,329**	**74,416**	**93,019**	**116,274**	**577,672**	**653,727**	**733,231**

Working Interest Contingent Resource
Grand Total

Working Interest Contingent Resource	Light Crude Oil & Medium Crude Oil Mbbl			Heavy Crude Oil Mbbl			Bitumen Mbbl			Conventional Natural Gas MMscf			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Subtotal by Country Unrisked															
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France	6,733	15,945	25,133	-	-	-	-	-	-	-	-	-	6,733	15,945	25,133
Canada	-	-	-	37,648	50,273	66,220	664,534	743,648	823,304	188,096	235,119	293,898	733,531	833,107	938,507
Total Unrisked		**15,945**		**37,648**	**50,273**	**66,220**	664,534	743,648	823,304	**188,096**	**235,119**	**293,898**	**740,264**	**849,052**	**963,641**
Subtotal by Country Risked by Chance of Development															
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France	2,911	7,204	11,496	-	-	-	-	-	-	-	-	-	2,911	7,204	11,496
Canada	-	-	-	28,466	38,067	50,072	538,751	602,786	667,329	115,310	144,136	180,170	586,435	664,875	747,429
Total Risked	**2,911**	**7,204**	**11,496**	**28,466**	**38,067**	**50,072**	538,751	602,786	667,329	**115,310**	**144,136**	**180,170**	**589,346**	**672,079**	**758,925**

Project descriptions for the Canadian and French contingent resource estimates are described below. In all cases, 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. For each project opportunities include the potential reduction in capital requirements and improvements in per well production performance relative to forecast. Risk factors include downside crude oil prices, reservoir performance and regulatory changes.

France

The contingent resource estimates reported for France relate to development drilling and water-flood optimization opportunities. The product type is light crude oil. The risk and uncertainty associated with the contingent resources in France is largely due to limited seismic coverage and understanding of 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.

Canada (Suffield, Blackrod, Onion Lake and Mooney)

Suffield Area Property

The contingent resources reported for Suffield are consolidated into three project categories: shallow gas development drilling, oil development drilling and alkaline-surfactant-polymer expansion. In all cases the recovery of the resources would be via established technology, is based upon conceptual development plans and are classed in either sub-economic or economic category as discussed below.

The shallow gas drilling project is estimated to require an estimated CAD 350 to 450 million with the main contingencies being natural gas prices, refinement of project definition, and approval of the project concept. Timing of first commercial production, should the project proceed, is expected to be in the 2024 to 2029 horizon. It is likely that the project would be approved and implemented in a number of stages. The project is primarily drilling and completion scope with minimal infrastructure investment required. Positive factors include opportunity to reduce capital requirements and to improve per well production performance relative to forecast. Negative factors include natural gas price risk as well as geologic and well completion risk. The total contingent resource attributed to shallow gas drilling is 39 MMboe with 17 MMboe considered sub-economic and 22 MMboe considered economic. The conventional natural gas contingent resources require a definitive development plan and approval of the plan to mature from contingent resources to reserves. Implicit in project approval is the demonstration of an economic development scheme to recover the resources.

The oil development drilling is estimated to require CAD 75 to 100 million of capital largely consisting of drilling and completion scope with minor facility and infrastructure investments. The main contingencies relate to refinement of project definition and approval of the development concept. Timing of first commercial production, should the project proceed, is expected to be in the 2021 to 2026 horizon. It is likely that the project would be approved and implemented in a number of stages. Positive factors include opportunity to reduce capital requirements and to improve per well production performance relative to forecast. Negative factors include crude oil price risk as well as geologic and reservoir performance risk. The total contingent resources attributed to oil drilling is 5.9 MMboe of which 4.4 MMboe is in economic category and 1.5 MMboe is in sub-economic category. The heavy oil development drilling contingent resources require a definitive development plan and approval of the plan to mature from contingent resources to reserves. Implicit in project approval is the demonstration of an economic development scheme to recover the resources.

The alkaline-surfactant-polymer expansion and water-flood optimization projects are conceptually defined. The estimated capital to execute this project is CAD 40 to 80 million which is a combination of facility and pipeline expansion and drilling of injectors and producers. Timing of first commercial production, should the project proceed, is expected to be in the 2023 to 2028 horizon. Positive factors include opportunity to reduce capital and operating cost requirements and to improve oil recovery efficiency relative to forecast. Negative factors include oil price risk, operating cost risk, geologic risk, and reservoir performance risk. The total contingent resource attributed to alkaline-surfactant-polymer expansion and water-flood optimization projects is 3.8 MMboe and is classed in sub-economic category. These enhanced oil recovery contingent resources require a definitive development plan and approval of the plan to mature from contingent resources to reserves. Implicit in project approval is the demonstration of economic development scheme to recover the resources.

Blackrod

The contingent bitumen resources outlined in this document are attributed to a thermal enhanced oil recovery project in the Blackrod area of Alberta. The overall development concept is to develop the Blackrod leases in three separate phases. The Blackrod thermal pilot project began in 2011, consisting of two pilot well pairs. Phase One includes a 20,000 barrel per day five-section development project with production scheduled to start in 2025. Phase Two includes an expansion to a 50,000 barrel per day development project with production scheduled to start in 2029; and Phase Three includes expansion to an 80,000 barrel per day development project with production scheduled to commence in 2033. Production from the pilot well pair is uneconomic under the assumed price forecast and therefore no reserves were assigned to the pilot well pair project area as of December 31, 2018. The pilot project area has been excluded from the contingent resource evaluation.

In recognition of the risk of commerciality of the Blackrod Phase One contingent bitumen resource volumes, a 94 percent chance of development risk factor has been applied to the total recoverable volumes. This chance of development risk factor is an aggregation of risk factors attributable to the two contingencies identified for the project (Corporate Commitment, and Timing of Production and Development) and has been incorporated as a 94 percent chance of occurrence applied to all contingent resource inputs.

Onion Lake

Phase IV Thermal

The thermal contingent heavy oil resources are attributed to a thermal enhanced oil recovery project in the Onion Lake area of Saskatchewan. The overall development concept proposed is to thermally develop the Onion Lake leases in four phases. Of the development phases, Phase Four is classified as contingent resources and includes a facility expansion to bring the total project capacity to 20,500 barrels of oil per day with incremental production beginning in 2023. All Phases classified as reserves are separate from the volumes included in the contingent resource tables.

In recognition of the risk of commerciality of the Onion Lake contingent Phase Four heavy oil thermal resource volumes, an 85 percent chance of development risk factor has been applied to the total recoverable volumes. This chance of development risk factor is an aggregation of risk factors attributable to the three contingencies identified for the project (Evaluation Drilling, Regulatory Approval and Timing of Production and Development) and has been incorporated as an 85 percent chance of occurrence applied to all contingent resource inputs.

Primary

The primary production contingent heavy oil resources in the Onion Lake area of Saskatchewan are attributable to primary development in areas of the reservoir more than two drill spacing units apart from current production. These locations offset spacing units with reserves assignments and are a continuation of the primary production development strategy for the reservoir and would be developed using existing technology.

In recognition of the risk of commerciality of the Onion Lake primary contingent heavy oil resource volumes, a 90 percent chance of development risk factor has been applied to the total recoverable volumes. This chance of development risk factor is an aggregation of risk factors attributable to the two contingencies identified for the project (Evaluation Drilling and Regulatory Approval) and has been incorporated as a 90 percent chance of occurrence applied to all contingent resource inputs.

Mooney

The contingent heavy oil resources in the Mooney area of Alberta are attributed to an alkaline-surfactant-polymer Enhanced Oil Recovery project. The overall development concept proposed is to develop the Mooney leases in four distinct phases. Phase One began in 2008 with a polymer injection pilot project, with positive results leading to a large scale alkaline-surfactant-polymer flood commencing in 2011 with twenty-three flood patterns. Phase One also included construction of an injection facility capable of handling 27,000 barrels of fluid per day and a production facility capable of handling 20,000 barrels of fluid per day. Phase Two expands the flood area with an additional seventeen flood patterns, the first of which are estimated to begin injection in 2020. Phase Three includes a 7,500 and 11,250 (Best and High Estimate cases, respectively) barrel per day expansion of production fluid capacity coinciding with the implementation of eighteen additional flood patterns, the first of which are estimated to begin injection in 2023. Phase Four encompasses the remaining 12 flood patterns, the first of which are scheduled to commence injection in 2026. The vast majority of Phases One and Two are classified as reserves and separate from the volumes included in the contingent resources summary, while Phases Three and Four are classified as contingent resources and detailed in this appendix.

In recognition of the risk of commerciality of the Mooney contingent heavy oil resource volumes, a 71 percent chance of development risk factor has been applied to the total recoverable volumes. This chance of development risk factor is an aggregation of risk factors attributable to the four contingencies identified for the project (Evaluation Drilling, Regulatory Approval, Corporate Commitment, and Timing of Production and Development) and has been incorporated as a 71 percent chance of occurrence applied to all contingent resource inputs.

.

APPENDIX B: PROSPECTIVE RESOURCES DATA

Malaysia

Prospect	Working Interest	Gross Working Interest Light Crude Oil & Medium Crude Oil (Mbbl)			Chance of Commerciality	Risked Gross Working Interest Light Crude Oil & Medium Crude Oil (Mbbl)		
		1U	2U	3U		1U	2U	3U
Bertam I-35 (Keruing)	75%	2,025	5,400	11,775	20.2%	409	1,091	2,379
Bertam Extension	75%	180	435	1,035	35.0%	63	152	362

The Keruing prospective resources relate to a closure mapped in a horizon shallower than the Bertam K10.1 productive horizon. The target reservoir has been penetrated by several wells demonstrating reservoir quality however there are no clear indications of oil in the wells drilled to date. 3D seismic interpretation suggests a closure up-dip of the drilled wells indicating the potential for a hydrocarbon accumulation. Charge and closure are the two main risks with the chance of geologic success estimated at 20.2%. The prospect is in a location that could potentially be developed across the FPSO Bertam. Positive factors include the potential for a stratigraphic trapping mechanism resulting in volumes towards the high end of the estimated range. Negative factors include exploration risk and the risk of high development costs. Chance of development in a discovery scenario is considered high. The product type is expected to be light crude oil.

The cost of development in a discovery scenario is estimated to be USD 50 to 100 million depending on production and injection well requirements and infrastructure modifications at the FPSO Bertam. The recovery technology would be either natural water drive or water-flood. The exploration well is scheduled to be drilled in 2019. In the success case, first production could be in the next 2 to 5 years.

The Bertam extension prospective resources relate to a feature mapped on 3D seismic less than 1 km to the east of the Bertam K10.1 field limit. This feature is analogous to the productive A-15 area accumulation, which was drilled and put on production in 2016. The target reservoir has been drilled extensively in the nearby Bertam field so reservoir, seal, and source are relatively low risk. The main risks relate to oil water contact level and closure. The chance of success has been estimated at 35%. Chance of development in a discovery scenario is considered high. This prospect is within reach of the Bertam wellhead platform and production could be accommodated in the existing facilities. Positive factors include the potential for an oil water contact deeper than the Bertam field and higher than expected reservoir properties. Negative factors include the risk of finding a limited oil column to develop. The product type is expected to be light crude oil.

The cost of development in a discovery scenario is estimated to be USD 15 to 25 million depending on pilot well requirements. No major modifications to the FPSO would be required to accommodate production from this prospect. The recovery technology would be natural water drive. The Bertam extension well is scheduled to be drilled in 2019 production could follow within months of drilling.

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: IPC’s intention and ability to continue to implement our strategies to build long-term shareholder value; IPC's intention to review future potential growth opportunities; 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; the proposed Vert La Gravelle development project and other organic growth opportunities in France, including the Villeperdue West project; the proposed third phase of infill drilling in Malaysia and the ability to mature additional locations; the drilling of the Keruing prospect in Malaysia and the development options if drilling is successful; future development potential of the Suffield area operations, including continued and future oil drilling and gas optimization programs; the state of the oil markets, including in Canada following the curtailments announced by the Alberta government in 2018; future development of the Blackrod project in Canada; the results of the facility optimization program and the work to debottleneck the facilities and injection capability at Onion Lake Thermal; the ability to integrate the assets and operations acquired in the BlackPearl acquisition, including the ability to accelerate value creation and extend IPC’s reserves life following such acquisition; 2019 production range, exit rate, operating costs and capital expenditure; potential further acquisition opportunities; estimates of reserves; estimates of contingent resources; estimates of prospective resources; the ability to generate free cash flows and use that cash to repay debt and to continue to deleverage; 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: 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 and exchange rate fluctuations; interest 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 and environmental 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 MCR, the MD&A (See "Cautionary Statement Regarding Forward-Looking Information" therein), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2017 (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, which may be accessed through the SEDAR website (www.sedar.com) or IPC's website (www.international-petroleum.com).

Disclosure of Oil and Gas Information

This document contains references to estimates of gross 2P reserves attributed to the Corporation's oil and gas assets. Gross reserves are the total working interest reserves before the deduction of any royalties and including any royalty interests receivable.

Reserves estimates, contingent resource estimates and estimates of future net revenue in respect of IPC’s oil and gas assets in the Suffield area of Canada are effective as of December 31, 2018, and are included in the report prepared by McDaniel & Associates Consultants Ltd. (McDaniel), 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 McDaniel's January 1, 2019 price forecasts.

Reserves estimates, contingent resource estimates and estimates of future net revenue in respect of IPC’s oil and gas assets in the Onion Lake, Blackrod and Mooney areas of Canada are effective as of December 31, 2018, and are included in the report prepared by Sproule Associates Limited (Sproule), an independent qualified reserves evaluator, in accordance with NI 51-101 and the COGE Handbook, and using McDaniel's January 1, 2019 price forecasts.

Reserve estimates, contingent resource estimates, prospective 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, 2018, 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 McDaniel’s January 1, 2019 price forecasts.

The price forecasts used in the reserve reports are available on the website of McDaniel (www.mcdan.com), and are contained in Part III – Pricing Assumptions.

"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. "Possible reserves" are those reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

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.

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.

Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Chance of discovery is the estimated probability that exploration activities will confirm the existence of a significant accumulation of potentially recoverable petroleum. There is no certainty that any portion of the prospective resources estimated in the report audited by ERCE and summarized in this document will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources audited. Estimates of the prospective resources should be regarded only as estimates that may change as additional information becomes available. Not only are such prospective resources estimates based on that information which is currently available, but such estimates are also subject to uncertainties inherent in the application of judgmental factors in interpreting such information. Prospective resources should not be confused with those quantities that are associated with contingent resources or reserves due to the additional risks involved. Because of the uncertainty of commerciality and the lack of sufficient exploration drilling, the prospective resources estimated in the report audited by ERCE and summarized in this document cannot be classified as contingent resources or reserves. The quantities that might actually be recovered, should they be discovered and developed, may differ significantly from the estimates in the report audited by ERCE and summarized in this document.

2P reserves and contingent resources included in the reports prepared by ERCE, Sproule and McDaniel 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. This document contains estimates of the net present value of the future net revenue from IPC's reserves. 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 evaluations will be attained and variances could be material.

The reserves and resources information and data provided in this document presents 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, 2018, which will be filed on SEDAR (accessible at www.sedar.com) on or before April 1, 2019.

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.

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
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
NGL	Natural gas liquid

International Petroleum Corporation 2018 Year-End Financial Results and 2019 Budget, Production and Resource 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 year ended December 31, 2018.(1) IPC is also pleased to announce its 2019 capital expenditure budget range of between USD 146 and 166 million and its 2019 production guidance of between 46,000 and 50,000 barrels of oil equivalent (boe) per day (boepd). 2018 year-end 2P reserves and best estimate contingent resources (unrisked) are respectively 288 million boe (MMboe) and 849 MMboe.(2)

2018 Business Development Highlights

- Completion of the acquisition of conventional oil and gas assets in the Suffield area of southern Alberta, Canada in January 2018.
- Completion of the acquisition of BlackPearl Resources Inc. (BlackPearl) in December 2018.
- Completion of the disposal of IPC's non-core, non-operated gas assets in the Netherlands in December 2018.

2018 Financial and Operational Highlights(3)

- Average net production of 34,600 boepd for the fourth quarter of 2018 and 34,400 boepd for the full year 2018, above the high end of the 2018 capital markets day (CMD) guidance range.
- Greater than 100% 2P reserves replacement ratio in 2018, excluding 2P reserves acquired in the acquisition of BlackPearl.(4)
- 2P reserves more than doubled to 288 MMboe as at December 31, 2018, including the 2P reserves acquired in the acquisition of BlackPearl, compared to December 31, 2017.(2)
- Thirteen-fold increase in best estimate contingent resources (unrisked) to 849 MMboe as at December 31, 2018, including the contingent resources acquired in the acquisition of BlackPearl, compared to December 31, 2017.(2)
- Operating costs per boe of USD 12.4 for the full year 2018, lower than the 2018 CMD guidance.(5)
- Sanctioned third phase of infill drilling in Malaysia for 2019 execution.
- Sanctioned the Vert La Gravelle development in France for 2019 execution.
- 2018 operating cash flow generation of USD 279 million.(5)
- Net debt reduced by USD 190 million to USD 166 million as at December 31, 2018, from USD 355 million at the completion of the acquisition of the Suffield area assets in January 2018. Including the net debt acquired in the BlackPearl acquisition, net debt of IPC was USD 277 million as at December 31, 2018.(5)

	Three months ended December 31		Year ended December 31	
USD Thousands	2018	2017	2018	2017
Revenue	111,898	54,647	454,443	203,001
Gross profit	26,311	13,471	146,864	48,758
Net result	29,346	8,977	103,644	22,723
Operating cash flow (5)	58,322	37,156	279,018	138,368
EBITDA (5)	58,032	33,383	264,041	129,259

2019 Budget and Production Guidance

- 2019 average net production guidance of 46,000 to 50,000 boepd, with 2019 exit rate estimated to be greater than 50,000 boepd.
- 2019 operating costs guidance at USD 12.9 per boe.[5]
- Full year 2019 capital expenditure guidance range of USD 146 to 166 million.

Mike Nicholson, IPC's Chief Executive Officer, commented,

"Our focus since launching IPC in April 2017 remains unchanged: seeking to deliver operational excellence, demonstrating financial resilience, maximizing the value of our resource base and targeting growth through acquisition. With our fourth quarter of 2018 performance delivered ahead of guidance and another transformational acquisition completed in December 2018, we continue to make excellent progress on all fronts in delivering on that strategy.

2018 Year-End Results[3]

During the fourth quarter of 2018, our assets delivered average daily net production of 34,600 boepd, above the high end of our revised guidance for the quarter. The fourth quarter performance concludes an excellent year of delivery from all assets with full year 2018 average daily net production of 34,400 boepd, coming in above the high end of our full year guidance. Our operating costs per boe for the fourth quarter was USD 13.1, resulting in a full year 2018 average operating costs per boe of USD 12.4, lower than our 2018 CMD guidance of USD 12.6.[5]

IPC has continued to deliver a robust financial performance during the fourth quarter of 2018 generating operating cash flow of USD 58 million.[5] This allowed IPC to fund our expenditure program and reduce net debt from USD 213 million at the end of the third quarter to USD 166 million by the end of the fourth quarter.[5] Full year operating cash flow was in excess of USD 279 million and net debt reduction was close to USD 190 million since completion of the Suffield acquisition in early January 2018.[5] Including the additional USD 111 million of net debt acquired as part of the acquisition of BlackPearl, IPC's total year end net debt was USD 277 million.[5]

In Malaysia, following positive results from the 2016 and 2018 infill drilling programs and continued good reservoir performance, we were encouraged to mature a third phase of infill drilling on the Bertam field for execution in 2019. Up to three drilling locations have been identified and work continues to mature additional locations. In addition, we plan to drill the Keruing prospect during the first half of 2019.

In Canada, during the fourth quarter of 2018, oil drilling commenced for the first time since 2014 in the Suffield area. Five horizontal wells had been drilled by the end of 2018, with production commencing in January 2019 at initial rates in line with expectations. On the gas side, given the exceptional results from the 2018 gas optimization program, further work is expected to continue through 2019.

In December 2018, IPC completed the transformational acquisition of BlackPearl in an all-share transaction. The transaction combines the highly free cash flow generative short cycle reserve base of IPC with the strategic long life reserve and contingent resource base of BlackPearl, creating a company with the combined financial strength to accelerate value creation from the enlarged portfolio. IPC's reserves life index is more than 16 years following the acquisition. In addition, a high calibre team of industry professionals with a long track record of value creation joined IPC to integrate with our existing team in Canada.

As at end December 2018, IPC's 2P reserves more than doubled to 288 MMboe compared to December 31, 2017.[2] This includes a reserves replacement ratio in 2018 of 103 percent for IPC's assets other than those acquired in the BlackPearl transaction.[4] This results from the maturation of contingent resources from the infill drilling program in Malaysia as well as better reservoir performance and certain upgrades in France and Canada, particularly on back of the gas optimization program in Canada.

In addition, IPC has increased its best estimate contingent resources (unrisked) by over thirteen times as at end December 2018 to 849 MMboe, compared to end December 2017.[2] We are confident that we have a solid resource base in place to provide the feedstock to add to reserves in the future.

Based on third party reserves reports, the net present value (NPV)[6] of IPC's 2P reserves as at December 31, 2018 was USD 2,314 million. IPC's net asset value (NAV)[7] as at December 31, 2018 was USD 2,037 million, representing an increase of more than two and a half times from December 31, 2017. IPC's NAV per share[8] was USD 12.4 as at December 31, 2018, representing an increase of over 37 percent from December 31, 2017.

2019 Budget and Production Guidance

We are pleased to announce our 2019 production guidance is 46,000 to 50,000 boepd, with the 2019 exit rate estimated to be greater than 50,000 boepd. We forecast operating costs for 2019 to be USD 12.9 per boe.[5]

Our 2019 capital expenditure budget range is between USD 146 and 166 million, targeting production growth in all of our countries of operations. The budget includes the proposed 2019 infill drilling campaign, the Keruing exploration well and other optimization work in Malaysia, and the Vert La Gravelle development project and other project maturation activities in France. We also include continued Suffield area oil drilling and gas optimization, Onion Lake Thermal facilities and well work, and Blackrod project activities in Canada. Given our high working interests and operatorship position on our assets, IPC retains a high degree of discretion on the 2019 activity scope based on market conditions.

Further details regarding IPC's 2019 budget and production guidance will be provided at IPC's Capital Markets Day presentation to be held on February 12, 2019 at 14:00 CET. A copy of the Capital Markets Day presentation will be available on IPC's website at www.international-petroleum.com."

Notes:

(1) IPC's financial statements and MD&A for the year ended December 31, 2018 are available on IPC's website at www.international-petroleum.com and under IPC's profile on SEDAR at www.sedar.com.

(2) See "Disclosure of Oil and Gas Information" 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 further described in the material change report (MCR) filed on the date of this press release by IPC and available under IPC's profile on www.sedar.com and on IPC's website at www.international-petroleum.com.

(3) The acquisition of BlackPearl was completed on December 14, 2018. For accounting purposes, the acquisition was reflected on the balance sheet as at December 31, 2018. Given that the financial and operational results from the acquired assets from the date of acquisition to December 31, 2018 were not material to the Corporation, the contribution of these assets is not reported in 2018.

(4) Reserves replacement ratio is based on 2P reserves of 129.1 MMboe as at December 31, 2017 (including 2P reserves attributable to the acquisition of the Suffield area assets which completed on January 5, 2018), production during 2018 of 12.4 MMboe, additions to 2P reserves during 2018 of 12.7 MMboe and 2P reserves of 128 MMboe as at December 31, 2018 (excluding 2P reserves attributable to the acquisition of BlackPearl).

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

(6) NPV is after tax, discounted at 8% and based upon the forecast prices and other assumptions further described in the MCR.

(7) NAV is calculated as NPV less net debt as at December 31, 2018.

(8) NAV per share is based on the number of IPC common shares outstanding as at December 31, 2018 being 163,720,065.

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 12, 2019. The Corporation's audited consolidated financial statements and management's discussion and analysis (MD&A) have been filed on SEDAR (www.sedar.com) and are also available on the Corporation's website (www.international-petroleum.com).

Forward-Looking Statements

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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: 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 and exchange rate fluctuations; interest 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 and environmental 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 MCR, the MD&A (See "Cautionary Statement Regarding Forward-Looking Information" therein), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2017 (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, which may be accessed through the SEDAR website (www.sedar.com) or IPC's website (www.international-petroleum.com).

Non-IFRS Measures

References are made in this press release to "operating cash flow" (OCF), "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 definitions of OCF, EBITDA, operating costs and net debt/net cash that may be used by other public companies. Non-IFRS measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.

Management believes that OCF, EBITDA, operating costs and net debt/net cash are useful supplemental measures that may assist shareholders and investors in assessing the cash generated by and the financial performance and position of the Corporation. Management also uses non-IFRS measures internally in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess the Corporation's ability to meet its future capital expenditure and working capital requirements. Management believes these non-IFRS measures are important supplemental measures of operating performance because they highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management believes such measures allow for assessment of the Corporation's operating performance and financial condition on a basis that is more consistent and comparable between reporting periods. The Corporation also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers.

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

Disclosure of Oil and Gas Information

This press release contains references to estimates of gross 2P reserves attributed to the Corporation's oil and gas assets. Gross reserves are the total working interest reserves before the deduction of any royalties and including any royalty interests receivable.

Reserves estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in the Suffield area of Canada are effective as of December 31, 2018, and are included in the report prepared by McDaniel & Associates Consultants Ltd. (McDaniel), 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 McDaniel's January 1, 2019 price forecasts.

Reserves estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in the Onion Lake, Blackrod and Mooney areas of Canada are effective as of December 31, 2018, and are included in the report prepared by Sproule Associates Limited (Sproule), an independent qualified reserves evaluator, in accordance with NI 51-101 and the COGE Handbook, and using McDaniel's January 1, 2019 price forecasts.

Reserve estimates, contingent resource estimates, prospective 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, 2018, 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 McDaniel's January 1, 2019 price forecasts.

The price forecasts used in the reserve reports are available on the website of McDaniel (www.mcdan.com), and are contained in the MCR.

The reserves life index (RLI) is calculated by dividing the 2P reserves of 288 MMboe as at December 31, 2018, by the mid-point of the initial 2019 production guidance of 46,000 to 50,000 boepd.

"2P reserves" means IPC's gross 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.

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.

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 press release 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 press release.

2P reserves and contingent resources have been aggregated in this press release 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. This press release contains estimates of the net present value of the future net revenue from IPC's reserves. The estimated values of future net revenue disclosed in this press release do not represent fair market value. There is no assurance that the forecast prices and cost assumptions used in the reserve evaluations will be attained and variances could be material.

The reserves and resources information and data provided in this press release presents 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, 2018, which will be filed on SEDAR (accessible at www.sedar.com) on or before April 1, 2019. Further information with respect to IPC's 2P reserves, contingent resources, prospective 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.sedar.com and on IPC's website at www.international-petroleum.com.

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.

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.