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International Petroleum Corporation

Management's Discussion and Analysis

For the three months ended March 31, 2017

International Petroleum Corp.

Management's Discussion and Analysis

Three months ended March 31, 2017
UNAUDITED

Contents

International Petroleum Corp.
Company No BC1103721

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INTRODUCTION

This management's discussion and analysis ("MD&A") for International Petroleum Corporation ("IPC" or the "Corporation" and, together with its subsidiaries, the "Group") is dated May 9, 2017 and is intended to provide an overview of the Group's operations, financial performance and current and future business opportunities. This MD&A should be read in conjunction with the Corporation's unaudited interim condensed combined carve-out financial statements and accompanying notes for the three months ended March 31, 2017 ("Financial Statements").

The main business of the Corporation is exploring for, developing and producing oil and gas. The Corporation holds a portfolio of oil and gas production assets and development projects in Malaysia, France and the Netherlands with exposure to exploration opportunities. The Corporation also has certain legacy non-producing interests and non-active entities, which are in the process of being relinquished and liquidated.

Basis of Preparation

The Financial Statements have been carved out from the historical consolidated financial statements of Lundin Petroleum AB ("Lundin Petroleum") for the Malaysian, French and Dutch operations and prepared in accordance with International Financial Reporting Standards ("IFRS"). Refer to the Financial Statements for additional information on the basis of preparation.

All references to boe are calculated on the basis of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 mcf: 1 bbl) unless otherwise indicated. This conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Boes may be misleading, particularly if used in isolation. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

The comparative figures contained in the Financial Statements for the period ended March 31, 2016 include certain interests in Indonesia which were disposed by Lundin Petroleum in the second quarter of 2016, and therefore figures related to such interests are not included in the Financial Statements for the period ended March 31, 2017.

Financial information is presented in United States Dollars ("USD" or "US$"). However, as the Group operates in Europe, certain financial information prepared by subsidiaries has been reported in Euros ("EUR"). In addition, certain costs relating to the operations in Malaysia, which are reported in USD, are incurred in Malaysian Ringgitt ("MYR"). Exchange rates for the relevant currencies of the Group with respect to the US Dollar are as follows:

	March 31, 2017		March 31, 2016		December 31, 2016	
	Average	Period end	Average	Period end	Average	Period end
1 EUR equals USD	1.0647	1.0691	1.1018	1.1385	1.1066	1.0541
1 USD equals MYR	4.4460	4.4255	4.1985	3.8716	4.1455	4.4860

Non-IFRS Measures

There are no references made in this MD&A to non-IFRS measures.

Forward-Looking Statements

Certain statements contained in this MD&A constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "forecast", "estimate", "expect", "seek", "anticipate", "plan", "continue", "project", "predict", "intend", "objectives", "strategies", "potential", "target", "guidance", "may", "will", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon.

In particular and without limitation, this MD&A contains forward-looking statements pertaining to the following:
- the Corporation's intentions with respect to and ability to execute its growth strategies;
- expectations regarding strategies of oil majors and large international oil and gas companies;
- forecasted operating costs of IPC for 2017;
- 2017 guidance with respect to organic and inorganic growth opportunities;
- the performance characteristics of the IPC asset base;
- the Corporation's oil and natural gas production levels and the overall composition of such production in 2017;
- expected 2017 activities of the Corporation;
- drilling plans;
- installation and timing of first gas expected from a new pipeline from the Total E&P Nederland BV ("Total") operated L4 field to the K6 field;
- the Corporation's future financial capacity; and
- liquidation and relinquishment of legacy non-producing interests and non-active entities.
- Actual results could differ materially from those anticipated in these forward-looking statements or information as a result of the risk factors set forth below and elsewhere in this MD&A:
- oil and gas exploration, development and production risks;
- declines in oil and gas commodity prices;
- operational risks relating to the Corporation's wells, facilities and pipelines;
- third-party risks relating to facilities and pipelines;
- uncertainties associated with estimating reserves and resource volumes;
- regulatory approvals and compliance;
- risks relating to flagging regulations in Malaysia;
- risks relating to the Corporation's ability to execute projects on time, on budget or at all, and to effectively market the oil and natural gas that it produces;
- failure to realize anticipated benefits of acquisitions and dispositions;
- the Corporation's reliance on third-party operators and third-party infrastructure;
- risks relating to changes in legislation and the regulatory environment;
- competition for resources and markets;
- climate change legislation;
- the Corporation's reliance on management and key personnel; and
- risks relating to fraud, bribery and corruption.

Statements relating to "reserves" or "resources" are deemed to be forward-looking statements or information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described can be profitably produced in the future. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.

Although the forward-looking statements contained in this MD&A are based upon assumptions that the Corporation believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this MD&A, the Corporation has made assumptions regarding, among other things: that the Corporation will conduct its operations in a manner consistent with its expectations; future commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; the continuance of existing tax and regulatory regimes; future operating costs; availability of future sources of funding; and the Corporation's ability to conclude new transactions, including financings and acquisitions, in a satisfactory manner. The Corporation has included the above summary of assumptions and risks related to forward-looking information provided in this MD&A in order to provide investors with a more complete perspective on the Corporation's future operations and such information may not be appropriate for other purposes. The Corporation's actual results, performance or achievement could differ materially from those expressed in, or implied by, forward-looking statements in this MD&A and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom. These forward-looking statements are made as of the date of this MD&A and the Corporation disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

FIRST QUARTER 2017 HIGHLIGHTS

Operational Highlights

Health, Safety and Environment
- No material incidents
- No oil or chemical spills

Production
- Total average production of 11,511 barrels of oil equivalent per day (boepd) net for the first quarter of 2017 (reporting period)

Malaysia
- Average production of 7,591 boepd net from the operated Bertam field (working interest (WI) 75%)
- In excess of 99% average facilities uptime (excluding planned shutdowns) on the Bertam field during the reporting period

France
- Average production of 2,041 boepd net from the operated Paris Basin fields and 427 boepd net from the non-operated Aquitaine fields during the reporting period

Netherlands
- Average production of 1,452 boepd net from the non-operated Dutch fields during the reporting period

Financial Highlights

In February 2017, Lundin Petroleum announced its intention to spin-off its assets in Malaysia, France and the Netherlands into a newly formed company called International Petroleum Corporation and to distribute all of the shares of IPC, on a pro-rata basis, to Lundin Petroleum shareholders. The results of the IPC business are included in the Lundin Petroleum financial statements in the reporting period and are shown as discontinued operations. The reorganization was completed on April 7, 2017 and the distribution of IPC shares occurred on April 24, 2017. The shares of IPC commenced trading on the Toronto Stock Exchange and the Nasdaq First North on April 24, 2017.

US$ Thousands	**Q1 2017**	Q1 2016
Revenue	**51,932**	46,222
Gross profit/(loss)	**17,670**	(16,699)
Cash flow generated from operations	**39,237**	28,198
Net result	**4,461**	(51,099)
Net result attributable to shareholders of the Parent Company	**4,456**	(51,096)

OPERATIONS REVIEW

Business Overview

IPC is a newly formed company, created following a decision by Lundin Petroleum to spin-off its non-Norwegian producing assets held in Malaysia, France and the Netherlands.

Given the scale of success of Lundin Petroleum's business in Norway, it was clear that in terms of management attention, capital allocation and stakeholder focus, the full potential of the non-Norwegian assets was not being realized.

The next natural step was therefore to separate these businesses from Lundin Petroleum and put in place a strong management team and Board of Directors, and use the IPC assets as a platform to grow a successful new upstream independent oil and gas company.

IPC Strategy
IPC aims to be a leading independent oil and gas company focused on production of high quality assets in stable jurisdictions around the world. IPC will seek to maximise the value of its assets in Malaysia, France and the Netherlands, as well as seeking to acquire producing and/or development assets in similarly attractive geographies and fiscal regimes. IPC has the financial capacity to fund both the organic and inorganic growth of its business with a combination of cash flow generated by its assets and through access to debt and equity markets.

IPC believes that the recent low oil price environment has driven asset divestitures by exploration and production companies struggling with liquidity issues, while also limiting the ability of balance sheet-constrained competitors to acquire such assets. Management's recent experience indicates that the oil majors and large international oil and gas companies are increasingly focused on larger volumes in new frontier basins, not long-life, low decline assets in established basins, and will continue to dispose of high quality assets to meet their public divestment undertaking.

IPC Operations
IPC operates its assets in the Paris Basin, France and Malaysia and owns non-operated interests in the Aquitaine Basin, France and the Netherlands. As operator, IPC is able to control the pace and strategy of its development activities and to implement execution strategies that will maximize the value of its assets.

The IPC asset base has the following characteristics:

- proved and probable (2P) reserves of 29.4 million boe as at December 31, 2016;
- annual production guidance for 2017 of 9,000 to 11,000 boepd;
- low operating costs budgeted for 2017 at US$ 19 per boe (excluding third party income);
- infrastructure ownership in Malaysia, France and the Netherlands that provide significant operating income amounting to US$ 5 per boe in addition to sales of hydrocarbons;
- 2017 capital expenditure budget of approximately US$ 10 million (no material commitments);
- high proportion (86%) of the Group's 2P reserves are operated by IPC; and
- significant historical tax pool carry forwards in Malaysia and the Netherlands, with an attractive tax regime in France, leading to low rates of tax for the Group entities.

Malaysia
All of the Corporation's production and reserves in Malaysia come from the Bertam field, located offshore peninsular Malaysia. The Bertam field began production in 2015. The 12 horizontal wells are fitted with electric submersible pumps and a natural aquifer drive for pressure support. The Bertam crude trades at a premium to Brent blend. Following a successful infill drilling campaign in 2016, IPC is now evaluating the potential for additional infill drilling in the future. Production from the Bertam field during the first quarter was in line with guidance.

IPC also owns 100% of the Bertam Floating Production, Storage and Offloadin Unit (the "Bertam FPSO"), the host facility for the Bertam oil field. A bareboat charter leasing agreement is in place with the Bertam field partners (IPC 75%; Petronas Carigali 25%) for a firm period of six years from April 2015, with extension options thereafter. This provides IPC with an additional income stream. Since the start of production in 2015, the Bertam field has attained an uptime in excess of 99%, well above industry norms.

France

The assets in France are comprised of two main operating areas, the Paris Basin, which is operated by IPC, and the Aquitaine Basin, which is operated by Vermilion Energy Inc. Both areas are characterized by a high number of wells with low production decline rates. Production from France is light, high quality oil. Currently, France represents 61% of the Group's reserves. No modern 3D seismic data has ever been acquired on the assets in France and IPC is evaluating the application of this technology on the most material asset, the Villeperdue field located in the Paris Basin. Production from the French assets during the first quarter was in line with guidance.

The Netherlands

The assets in the Netherlands are non-operated, mature gas fields, both onshore and offshore, that continue to provide profitable production. The assets represent a small proportion of the reserves of IPC. Production from the Netherlands assets during the first quarter was in line with the guidance.

Operations Overview

Reserves and Resources

The IPC producing assets had 29.4 MMboe of 2P reserves as at 31 December 2016 as certified by an independent third party reserves auditor.

Production

Production for the IPC producing assets being spun-off to IPC during the reporting period amounted to 11.5 Mboepd (compared to 14.5 Mboepd for the same period in 2016) and was above the midpoint of the production guidance for the reporting period. The production during the reporting period was comprised as follows:

Production in Mboepd	**1 Jan 2017– 31 Mar 2017 3 months**	1 Jan 2016– 31 Mar 2016 3 months	1 Jan 2016– 31 Dec 2016 12 months
Crude oil			
France	2.5	2.6	2.6
Malaysia	7.6	8.5	8.6
Total crude oil production	**10.1**	11.1	11.2
Gas			
Netherlands	1.4	1.7	1.6
Indonesia	–	1.7	0.5
Total gas production	**1.4**	3.4	2.1
Total production	**11.5**	14.5	13.3
Quantity in Mboe	**1,036.0**	1,317.6	4,858.2

SOUTH EAST ASIA

Malaysia

Production in Mboepd	WI	**1 Jan 2017– 31 Mar 2017 3 months**	1 Jan 2016– 31 Mar 2016 3 months	1 Jan 2016– 31 Dec 2016 12 months
Bertam	75%	**7.6**	8.5	8.6

Peninsular Malaysia
Net production from the Bertam field on Block PM307 (WI 75%) during the reporting period was in line with forecast at 7.6 Mboepd. Reservoir performance for the Bertam field was in line with expectation and facilities uptime for the reporting period was in excess of 99 percent.

Applications regarding Block PM307 for relinquishment of the exploration areas and for granting of a gas holding area over the Tembakau gas discovery have been submitted, subject to approval from Petronas, the regulator of oil and gas activity in Malaysia.

An extension to the drill or drop decision on exploration Block PM328 has been submitted to extend the decision by six months until September 2017, subject to approval from Petronas.

Sabah, East Malaysia
During the reporting period applications for relinquishment of the exploration Blocks SB307 and SB308 have been submitted and are awaiting approval from Petronas.

No commitments are outstanding on any blocks in Malaysia.

Indonesia

Production in Mboepd	WI	**1 Jan 2017– 31 Mar 2017 3 months**	1 Jan 2016– 31 Mar 2016 3 months	1 Jan 2016– 31 Dec 2016 12 months
Singa	25.9%	–	1.7	0.5

The Indonesian assets were sold to PT Medco Energi International TBK effective April 2016 and thus there was no production during the reporting period.

CONTINENTAL EUROPE

Production in Mboepd	WI	**1 Jan 2017– 31 Mar 2017 3 months**	1 Jan 2016– 31 Mar 2016 3 months	1 Jan 2016– 31 Dec 2016 12 months
France				
- Paris Basin	100%[1]	2.1	2.2	2.2
- Aquitaine	50%	0.4	0.4	0.4
Netherlands	Various	1.4	1.7	1.6
		3.9	4.3	4.2

[1] *except for the working interest in the Dommartin Lettree field of 43 percent*

France
Net production during the reporting period from France was slightly above forecast at 2.5 Mboepd. Production performance in line with expectations has been achieved across all fields in the reporting period, in particular the Villeperdue field which is the largest in IPC's French portfolio.

The Netherlands
Net production for the reporting period from the Netherlands was in line with forecast at 1.4 Mboepd. The Slootdorp wells have been producing intermittently since late March 2017 due to operational issues, however the operator is working to bring the field back on full time production.

The F3-B106 side-track well (WI 0.4%) commenced drilling in December 2016 and has been successfully drilled and completed. The well was put on production in March 2017.

The Nieuwehorne-1 exploration well in the onshore Gorredijk licence (WI 7.75%) is expected to be drilled during the second quarter 2017 and the A6 development well on the offshore E17a-A field (WI 1.2%) is expected to be drilled in the fourth quarter of 2017. During the first half of 2017 a new pipeline from the Total operated L4 field (WI 4.34%) to the K6 field, is being installed with first gas expected by mid-2017.

FINANCIAL REVIEW

Financial Results

First Quarter 2017 Selected Financial Information

Selected combined carve-out statement of operations, prepared in accordance with IFRS, is as follows:

	Three months ended	
US$ Thousands	**Q1 2017**	Q1 2016
Revenue	**51,932**	46,222
Gross profit/(loss)	**17,670**	(16,699)
Cash flow generated from operations	**39,237**	28,198
Net result	**4,461**	(51,099)
Net result attributable to shareholders of the Parent Company	**4,456**	(51,096)

Summarized combined carve-out balance sheet information, prepared in accordance with IFRS, is as follows:

US$ Thousands	**March 31, 2017**	December 31,2016
Non-current assets	466,695	484,923
Current assets	89,875	87,109
Total assets	**556,570**	572,032
Total non-current liabilities	146,642	144,012
Current liabilities	19,957	22,924
Total liabilities	**166,599**	166,936
Net assets (liabilities)	**389,971**	405,096
Working capital (including cash)	**69,918**	64,185

Note: As the financial results are based off of combined carve-out historical financial statements, there is no share capital available to calculate financial results on a per share or diluted per share basis.

First Quarter 2017 Segment Information

IPC operates within several geographical areas. Operating segments are reported at country level which is consistent with the internal reporting provided to IPC management.

The following tables present segment information regarding; revenue, production costs, exploration costs, impairment costs of oil and gas properties and gross profit and certain asset and liability information.

	Three months ended – 31 March 2017				
US$ Thousands	**Malaysia**	**France**	**Netherlands**	**Other**	**Total**
Crude oil	25,654	17,236	25	–	**42,915**
NGLs	–	–	102	–	**102**
Gas	–	–	4,584	–	**4,584**
Net sales of oil and gas	25,654	17,236	4,711	–	**47,601**
Change in under/over lift position	–	(89)	(216)	–	**(305)**
Other operating revenue	3,718	273	439	206	**4,636**
Revenue	29,372	17,420	4,934	206	**51,932**
Production costs	(849)	(9,389)	(1,623)	–	**(11,861)**
Depletion	(9,585)	(3,516)	(1,403)	–	**(14,504)**
Depreciation of other assets	(7,760)	–	–	–	**(7,760)**
Exploration costs	(117)	(20)	–	–	**(137)**
Gross profit/(loss)	11,061	4,495	1,908	206	**17,670**

	Three months ended – 31 March 2016				
US$ Thousands	**Malaysia**	**France**	**Netherlands**	**Other**	**Total**
Crude oil	23,790	6,651	20	–	30,461
NGLs	–	–	122	–	122
Gas	–	–	3,911	7,195	11,106
Net sales of oil and gas	23,790	6,651	4,053	7,195	41,689
Change in under/over lift position	–	14	(175)	–	(161)
Other operating revenue	3,655	306	514	219	4,694
Revenue	27,445	6,971	4,392	7,414	46,222
Production costs	(8,979)	(4,370)	(2,643)	(1,100)	(17,092)
Depletion	(14,960)	(3,614)	(2,792)	–	(21,366)
Depreciation of other assets	(7,822)	–	–	–	(7,822)
Exploration costs	(16,637)	–	–	(4)	(16,641)
Gross profit/(loss)	(20,953)	(1,013)	(1,043)	6,310	(16,699)

First Quarter 2017 Review

Revenue
Total revenue for Q1 2017 amounted to USD 51,932 thousand compared to USD 46,222 thousand for Q1 2016, representing an increase of 12%. The following table summarizes the components of total revenue for the three months ended 2017 and 2016, respectively.

US$ Thousands	Q1 2017	Q1 2016
Crude oil sales	42,915	30,461
Gas and NGL sales	4,686	11,228
Change in under/overlift position	(305)	(161)
Other operating revenue	4,636	4,694
Total revenue	**51,932**	46,222

Crude oil sales
The crude oil sales revenue for Q1 2017 and the comparative period is analysed as follows:

	Three months ended – 31 March 2017				
	Malaysia	**France**	**Netherlands**	**Other**	**Total**
Crude oil sales					
- Revenue in US$ thousands	25,654	17,236	25	–	**42,915**
- Quantity in bbls	446,870	334,644	540	–	**782,054**
- Average price realized US$ per bbl	57.41	51.51	45.91	–	**54.87**

	Three months ended – 31 March 2016				
	Malaysia	**France**	**Netherlands**	**Other**	**Total**
Crude oil sales					
- Revenue in US$ thousands	23,790	6,651	20	–	30,461
- Quantity in bbls	675,608	196,294	645	–	872,547
- Average price realized US$ per bbl	35.21	33.88	30.48	–	34.91

Crude oil sales revenue for Q1 2017 amounted to USD 42,915 thousand compared to USD 30,461 thousand for Q1 2016, representing an increase of 41% which is attributable to a 57% higher oil price realized partly offset by a 10% reduction in the volume sold.

The average realized sales price was USD 54.87/bbl in Q1 2017 and USD 34.91/bbl in Q1 2016 with sales based on quoted Brent crude oil prices. The average market Brent crude oil price was USD 53.69/bbl in Q1 2017 and USD 33.94/bbl in Q1 2016.

The volumes sold in Q1 2017 were 10% lower than in Q1 2016 primarily due to two cargoes being sold from the Bertam field in Malaysia in Q1 2017 compared to three cargoes in Q1 2016. This was partly offset by a cargo lifting in France relating to the Aquitaine fields of 142,475 bbls in Q1 2017 (no lifting in Q1 2016).

Gas and NGL sales
The gas and NGL sales revenue for Q1 2017 and the comparative period is analysed as follows:

	Three months ended – 31 March 2017				
	Malaysia	**France**	**Netherlands**	**Other**	**Total**
Gas and NGL sales					
- Revenue in US$ thousands	–	–	4,686	–	**4,686**
- Quantity in mcf	–	–	817,082	–	**817,082**
- Average price realized US$ per mcf	–	–	5.73	–	**5.73**

	Three months ended – 31 March 2016				
US$ Thousands	**Malaysia**	**France**	**Netherlands**	**Other**	**Total**
Gas and NGL sales					
- Revenue in US$ thousands	–	–	4,033	7,195	11,228
- Quantity in mcf	–	–	930,153	832,214	1,762,367
- Average price realized US$ per mcf	–	–	4.34	8.65	6.37

Gas and NGL sales for Q1 2017 amounted to USD 4,686 thousand compared to USD 11,228 thousand for Q1 2016. The gas sales revenue for Q1 2016 includes revenue in respect of the Singa field in Indonesia, which was being sold at a fixed contracted gas price. The Singa field was sold in April 2016 as part of a package of Indonesian assets. Gas revenue from the Dutch assets increased by 16% due to a higher realized gas price, partly offset by lower production and therefore a lower sales volume.

Other operating revenue
Other operating revenue amounted to USD 4,636 thousand for Q1 2017 compared to USD 4,694 thousand for Q1 2016 and was mainly attributable to third party lease fee income received by the Group for the leasing of the owned FPSO Bertam facility to the Bertam field in Malaysia.

Production costs

Production costs including inventory movements amounted to USD 11,861 thousand for Q1 2017, compared to USD 17,092 thousand for Q1 2016 as shown in the following table.

	Three months ended – 31 March 2017					
US$ Thousands	**Malaysia**	**France**	**Netherlands**	**Indonesia**	**Other[2]**	**Total**
Production costs	17,084	5,546	1,623	–	(11,475)	**12,778**
USD/boe[1]	25.01	24.96	12.42	–	n/a	**12.33**
Change in inventory position	(4,760)	3,843	–	–	–	**(917)**
Total Production Costs	12,324	9,389	1,623	–	(11,475)	**11,861**

	Three months ended – 31 March 2016					
US$ Thousands	**Malaysia**	**France**	**Netherlands**	**Indonesia**	**Other[2]**	**Total**
Production costs	19,159	5,301	2,643	1,100	(11,603)	16,600
USD/boe[1]	24.83	22.21	16.94	7.26	n/a	12.60
Change in inventory position	1,423	(931)	–	–	–	492
Total Production Costs	20,582	4,370	2,643	1,100	(11,603)	17,092

Notes:

1 *USD/boe in the tables above is calculated by dividing the cost by the production volume for the period.*

2 *Included in the Malaysia production costs is the lease cost for the FPSO Bertam which is owned by the Group. Other represents the FPSO Bertam lease fee self-to-self payment elimination. Netting the self-to-self elimination against the production costs in Malaysia reduces the production cost per boe to USD 8.21 for Malaysia for the first quarter of 2017.*

Production costs excluding inventory movements

Production costs excluding inventory movements amounted to USD 12,778 thousand for Q1 2017, compared to USD 16,600 thousand for Q1 2016, a reduction of 23%. The amount in Q1 2016 includes USD 1,100 which relates to the production from the Singa field, Indonesia which was sold in April 2016.

The production costs in Malaysia in Q1 2016 included USD 2,037 thousand for the workover of two shut-in production wells on the Bertam field.

The production costs in France for Q1 2017 included USD 743 thousand for transportation relating to the Aquitaine fields cargo lifted in March 2017 (no lifting in Q1 2016). The production costs in the Netherlands for Q1 2016 included costs relating to project and maintenance activities.

Change in inventory position

The hydrocarbon inventory position on the FPSO Bertam in Malaysia increased in Q1 2017 as there were only two cargo liftings during the period leaving significant volumes on the FPSO Bertam at the quarter end. There was a further cargo lifting of Bertam crude in the first week of April. The credit amount in the reporting period reflects the change in the value of the inventory (valued at cost plus depletion) reflected in the hydrocarbon inventory position. In France, the main reason resulting in the charge to production costs was the lifting of the crude cargo for the Aquitaine fields. Due to the relatively low level of production from these fields, there are no additional liftings of Aquitaine crude forecast for the remainder of 2017.

Depletion
The total depletion charge in Q1 2017 amounted to USD 14,504 thousand for Q1 2017 compared to USD 21,366 thousand for Q1 2016 as shown in the following table:

	Three months ended – 31 March 2017			
	Malaysia	**France**	**Netherlands**	**Total**
Depletion in US$ thousands	9,585	3,516	1,403	**14,504**
Depletion US$ per boe	14.03	15.83	10.74	**14.00**

	Three months ended – 31 March 2016			
	Malaysia	**France**	**Netherlands**	**Total**
Depletion in US$ thousands	14,960	3,614	2,792	21,366
Depletion US$ per boe	19.39	15.15	17.90	16.22

The decrease in depletion charge in Q1 2017 compared to Q1 2016 is as a result of the lower depletion rates applied for the Bertam field, Malaysia and the Dutch gas fields. The depletion rates have reduced significantly mainly due to the reserves upgrades at the end of 2016. There was no depletion in Q1 2016 for the Singa field, Indonesia as it was held as an asset for sale.

Depreciation of Other Assets
The total depreciation of other assets amounted to USD 7,760 thousand for Q1 2017, compared to USD 7,822 thousand for Q1 2016, and related to the depreciation of the FPSO Bertam, which is being depreciated on a straight line basis over the six year lease period on the Bertam field which commenced in April 2015.

Exploration Costs
Total expensed exploration costs amounted to USD 137 thousand for Q1 2017 compared to USD 16,641 thousand for Q1 2016. Exploration costs in the first quarter of 2016 related to the unsuccessful Bambazon and Maligan exploration wells drilled on the SB307/308 licence in Malaysia.

General, Administrative and Depreciation Expenses
General, administrative and depreciation expenses for Q1 2017 amounted to USD 926 thousand compared to USD 2,044 thousand for Q1 2016. The comparative in 2016 included USD 1,165 thousand of legal fees relating to a dispute in Malaysia. As the financial statements are a carve out from Lundin Petroleum financial statements and the Group spin-off did not occur until April 24, 2017, the quarterly charge is not representative of the general, administrative and depreciation expenses going forward with the Group corporate structure and management.

Finance Costs
Finance costs for Q1 2017 amounted to USD 10,963 thousand compared to USD 30,679 thousand for Q1 2016. Included in the amount is a largely non-cash foreign exchange loss of USD 10,063 thousand in Q1 2017 and USD 29,713 thousand in Q1 2016 mainly resulting on USD intra-group loan funding balances held by a subsidiary with a functional currency of Euro. The Euro strengthened against the USD by 1.4% over the first quarter of 2017 compared to 4.6% over the first quarter of 2016. Foreign exchange movements occur on the settlement of transactions denominated in foreign currencies and the revaluation of working capital and loan balances to the prevailing exchange rate at the balance sheet date where those monetary assets and liabilities are held in currencies other than the functional currencies of the Group's reporting entities. In addition, the unwinding of the discount rate on the asset retirement obligations amounted to USD 854 thousand in Q1 2017 and USD 916 thousand in Q1 2016. Asset retirement obligations estimates are discounted back to a present value when reflected in the balance sheet and the discounting is unwound through the income statement.

Income Tax
The corporate income tax charge for Q1 2017 was USD 1,332 thousand compared to USD 1,679 thousand for Q1 2016. There was a current tax charge of USD 396 thousand in Q1 2017 mainly relating to Dutch petroleum tax compared to a small current tax credit of USD 54 thousand in Q1 2016 when the oil and gas prices were lower. The deferred tax charge for Q1 2017 amounted to USD 936 thousand and compared to USD 1,733 thousand for Q1 2016 with the decrease due to a deferred tax charge in Q1 2016 relating to the Singa field, Indonesia.

Capital Expenditure

Oil and Gas Properties
As at March 31, 2017, oil and gas properties amounted to USD 310,830 thousand, with USD 121,685 thousand capitalized in Malaysia, USD 170,740 thousand capitalized in France and USD 18,405 thousand capitalized in the Netherlands.

Development and exploration and appraisal expenditure incurred in Q1 2017 was as follows:

US$ Thousands	Malaysia	France	Netherlands	Total
Development	674	721	372	**1,767**
Exploration and appraisal	165	97	56	**318**
	839	818	428	**2,085**

Other Tangible Assets
Other tangible fixed assets amounted to USD 144,416 thousand as at March 31, 2017, which included USD 142,478 thousand in respect of the FPSO Bertam.

Financial Position and Liquidity

Cash Position
Cash and cash equivalents amounted to USD 20,082 thousand as at March 31, 2017 compared to USD 13,410 thousand at the end of December 2016. Cash balances are held to meet ongoing operational funding requirements in the different countries.

Since the economic date of January 1, 2017 for the spin-off of IPC from Lundin Petroleum, USD 31,767 thousand of cash generated by the Group has been funded to Lundin Petroleum and is shown in the interim condensed combined carve-out statement of cash flow. This amount will be offset against the agreed net working capital amount of USD 56,931 thousand owing by the Group to Lundin Petroleum as at December 31, 2016 which was comprised of trade receivables, hydrocarbon inventories, well supplies and cash, net of trade payables and accruals. The net outstanding balance will be repaid to Lundin Petroleum before the end of June 2018.

The Interim Condensed Combined Carve-out Balance Sheet as at March 31 2017 and December 31 2016 does not show any debt as IPC was spun-off from Lundin Petroleum debt-free.

Working Capital
At March 31, 2017, the Group had a net working capital balance including cash of USD 69,918 thousand compared to USD 64,185 thousand at December 31, 2016, an increase of USD 5,733 thousand. The amounts are derived from the face of the combined carve-out balance sheet and the change in working capital differs to the amount stated in the combined carve–out statement of cash flow due to the inclusion of the cash balances and non-cash foreign exchange differences arising on the revaluation of the balances held in subsidiaries with a different functional currency to the Group's presentational currency.

Financing
Subsequent to the end of the first quarter, on April 20 2017, certain IPC subsidiaries, with IPC as guarantor, entered into a 2.25-year senior secured USD 100 million reserve-based lending credit facility, which shall be used to fund the offer to purchase up to USD 100 million of common shares of IPC (the "Offer") announced on April 24, 2017. This Offer will end on May 23, 2017 and it is expected that the credit facility will be drawn to purchase the common shares tendered to the Offer.

Off-balance Sheet Arrangements

There were no off-balance sheet arrangements as at March 31, 2017.

Outstanding Share Data

IPC did not exist as a listed entity as at March 31 2017, but started trading on both the Toronto Stock Exchange and the Nasdaq First North in Stockholm on April 24, 2017. IPC has a total of 113,462,148 common shares issued and outstanding.

Nemesia S.à.r.l., an investment company wholly owned by a Lundin family trust owned 29,062,512 common shares in IPC as a result of the distribution. In addition, an investment company wholly owned by a trust, whose settlor is Ian H. Lundin, owned a further 3,517,326 of the common shares following the distribution.

Statoil ASA, the second largest IPC shareholder as of April 24, 2017, owned 22,805,892 common shares and announced its intention to tender all of its shares to the Offer.

Contractual Obligations and Commitments

The 2017 discretionary capital program is budgeted at US$ 7.8 million for development costs and US$ 2.2 million for exploration and appraisal costs. 50% of this budget is assigned to the French assets, 29% to the Dutch assets and 21% to Malaysia. The capital program will be funded from cash flow from the existing asset base of the Corporation.

The Bertam field (IPC working interest of 75%) has leased the FPSO Bertam, which is fully owned by another Group company, for an initial period of six years commencing April 2015.

Critical Accounting Policies and Estimates

In connection with the preparation of the Corporation's interim condensed consolidated combined carve-out financial statements, management has made assumptions and estimates about future events and applied judgments that affect the reported values of assets, liabilities, revenues, expenses and related disclosures. These assumptions, estimates and judgments are based on historical experience, current trends and other factors that they believe to be relevant at the time the financial statements are prepared. The management review the accounting policies, assumptions, estimates and judgments to ensure that the financial statements are presented fairly in accordance with IFRS. However, because future events and their effects cannot be determined with certainty, actual results could differ from these assumptions and estimates, and such differences could be material.

Transactions with Related Parties

Prior to the spin-off of IPC on April 24, 2017, the Group did not exist and therefore had not entered into any transactions with related parties.

Financial Risk Management

Financial Risk Management
As an international oil and gas exploration and production company, the Corporation is exposed to financial risks such as interest rate risk, currency risk, credit risk, liquidity risks as well as the risk related to the fluctuation in the oil price. The Corporation seeks to control these risks through sound management practice and the use of internationally accepted financial instruments, such as oil price, interest rate and foreign exchange hedges. Financial instruments will be solely used for the purpose of minimizing risks in the business. As at March 31, 2017 the Corporation had not entered into any hedges.

Management believes that the cash resources, other current assets and cash flow from operations are sufficient to finance the Corporation's operations and capital expenditures program over the next year.

Capital Management
The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern and to meet its committed work program requirements in order to create shareholder value. The Corporation may put in place new credit facilities, repay debt, or pursue other such restructuring activities as appropriate. Management of the Corporation will continuously monitor and manage the Corporation's capital, liquidity and net debt position in order to assess the requirement for changes to the capital structure to meet the objectives and to maintain flexibility.

Interest Rate Risk
Interest rate risk is the risk to earnings due to uncertain future interest rates.

As there was no debt associated with the Group's assets during the reporting period, the business relating to such assets was not exposed to interest rate risk on debt.

Currency Risk
The Corporation's policy on currency rate hedging is, in the case of currency exposure, to consider fixing the rate of exchange for known costs in non-US dollar currencies to US dollar in advance so that future US dollar costs can be forecast with a reasonable degree of certainty. The Corporation will take into account the current rates of exchange and market expectations in comparison to historic trends and volatility in making the decision to hedge.

Price of Oil and Gas
Prices of oil and gas are affected by the normal economic drivers of supply and demand as well as by financial investors and market uncertainty. Factors that influence these prices include operational decisions, prices of competing fuels, natural disasters, economic conditions, political instability or conflicts or actions by major oil exporting countries. Price fluctuations will affect the Corporation's financial position.

Based on analysis of the circumstances, the management assesses the benefits of forward hedging monthly sales contracts for the purpose of establishing cash flow. If management believes that a hedging contract will enhance cash flow then it may choose to enter into a commodity price hedge.

Credit Risk
The Corporation may be exposed to third party credit risk through contractual arrangements with counterparties who buy the Corporation's crude products. The Corporation's policy is to limit credit risk by only entering into oil and gas sales agreements to major oil and gas and trading companies. Where it is determined that there is a credit risk for oil and gas sales, the Corporation's policy is to require an irrevocable letter of credit for the full value of the sale. The Corporation's policy on joint venture parties is to rely on the provisions of the underlying joint operating agreements to take possession of the licence or the joint venture partner's share of production for non-payment of cash calls or other amounts due. In addition, cash is to be held and transacted only through major banks.

IPC OUTLOOK AND GUIDANCE

IPC delivered a strong first quarter production performance of 11.5 mboepd, which was above our mid-point guidance range of 11.1 mboped. The full year production guidance of 9–11mboped remains unchanged.

In terms of organic growth, IPC is looking into the feasibility of acquiring a new 3D seismic survey on its largest producing field in France, the Villeperdue field, with the aim of evaluating a potential western extension of the producing reservoir horizon and identifying some exploration upside. In addition, in Malaysia, the asset team is looking into the feasibility of drilling up to two further infill wells following a successful campaign during 2016. Further details will be advised at the end of the second quarter of 2017 once these opportunities have been matured.

IPC management is also evaluating a number of inorganic potential acquisition opportunities with the aim of increasing production and its reserve and resource base.

RISK AND UNCERTAINTIES

IPC is engaged in the exploration, development and production of oil and gas and its operations are subject to various risks and uncertainties which include but are not limited to those listed below. The risks and uncertainties below are not the only ones that the Corporation faces. Additional risks and uncertainties not presently known to the Corporation or that the Corporation currently considers immaterial may also impair the business and operations of the Corporation and cause the price of the Common Shares to decline. If any of the following risks actually occur, the Corporation's business may be harmed and the financial condition and results of operations may suffer significantly.

Non Financial Risks

Exploration, Development and Production Risks: Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of the Corporation depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. There is a risk that additional commercial quantities of oil and natural gas will not be discovered or acquired by the Corporation. Production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

Oil and natural gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering, sour gas releases and spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment or personal injury. In accordance with industry practice, the Corporation will not fully insure against all of these risks, nor are all such risks insurable. The Corporation maintains liability insurance in an amount that it considers consistent with industry practice. Due to the nature of these risks, however, there is a risk that such liabilities could exceed policy limits, in which event the Corporation could incur significant costs.

Declines in Oil and Gas Commodity Prices: Oil and natural gas prices have fluctuated widely during recent years and may continue to be volatile in the future. Any substantial and extended decline in the price of oil and gas would have an adverse effect on the carrying value of the reserves and resources, borrowing capacity, revenues, profitability and cash flows associated with operation of the Corporation's assets and may have a material adverse effect on the business, financial condition, results of operations and prospects associated with the Corporation's assets.

Operational Risks Relating to Facilities and Pipelines: The pipelines and facilities associated with the Corporation's assets, including the FPSO Bertam, are exposed to operational risks that can lead to hydrocarbon releases and unplanned outages. Other operating risks relating to the facilities and pipelines associated with the Corporation's assets include: the breakdown or failure of equipment; issues and failures affecting the FPSO Bertam; breakdown or malicious attacks on information systems or processes; the performance of equipment at levels below those originally intended; operator error; disputes and other issues with interconnected facilities; and catastrophic events such as natural disasters, fires, explosions, fractures, acts of terrorists and saboteurs and other similar events, many of which will be beyond the control of the Corporation.

Uncertainties Associated with Estimating Reserves Volumes: There are numerous uncertainties inherent in estimating quantities of oil and natural gas reserves and the future cash flows attributed to such reserves. The reserves-associated cash flow information set forth herein are estimates only. The actual production, revenues, taxes and development and operating expenditures with respect to the reserves associated with the Corporation's assets will vary from estimates thereof and such variations could be material. Estimates of Proved Reserves that may be developed and produced in the future are often based upon volumetric calculations and upon analogy to similar types of reserves rather than actual production history.

In accordance with applicable securities laws, the Corporation and the Corporation's independent reserves auditor have used forecast prices and costs in estimating the Reserves and future net cash flows as summarized herein. Actual future net cash flows will be affected by other factors, such as actual production levels, supply and demand for oil and natural gas, curtailments or increases in consumption by oil and natural gas purchasers, changes in governmental regulation or taxation and the impact of inflation on costs.

Regulatory Approvals and Compliance and Changes in Legislation and the Regulatory Environment: Oil and natural gas operations (including exploration, development, production, pricing, marketing and transportation) are subject to extensive controls and regulations imposed by various levels of government, which may be amended from time to time. Governments may regulate or intervene with respect to exploration and production activities, price, taxes, royalties and the exportation of oil and natural gas.

FPSO Flagging Regulations in Malaysia: The FPSO Bertam is required to be Malaysian flagged in order to be able to offload crude in Malaysian waters. Currently, the FPSO is provisionally flagged, with a statement of compliance until December 2017 that allows it to offload crude in Malaysian waters. As the FPSO provides a significant revenue stream, a failure to resolve the flagging issue may result in a reduction of earnings for the Corporation and may also have a significant impact on offloading of crude from the FPSO Bertam.

Failure to Realize Anticipated Benefits of Acquisitions and Dispositions: The Corporation may make acquisitions and dispositions of businesses and assets in the ordinary course of business. Achieving the benefits of acquisitions depends in part on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner as well as the Corporation's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with those of the Corporation. In addition, non-core assets may be periodically disposed of, so that the Corporation can focus its efforts and resources more efficiently. Depending on the state of the market for such non-core assets, certain non-core assets of the Corporation, if disposed of, could be expected to realize less than their carrying value on the financial statements of the Corporation.

Reliance on Third-Party Operators: The Corporation has partners in each of the licence, lease and PSC areas associated with the Corporation's assets. In some cases, including in the Aquitaine Basin in France and the Netherlands, the Corporation is not the operator of the licence and concession areas and must depend on the competence, expertise, judgment and financial resources (in addition to those of its own and, where relevant, other partnership and joint venture companies) of the partner operator and the operator's compliance with the terms of the licences, leases, PSCs and contractual arrangements. Mismanagement of licence areas by the Corporation's partner operators or defaults by them in meeting required obligations may result in significant exploration, production or development delays, losses or increased costs to the Corporation.

Reliance on Third-Party Infrastructure: The Corporation delivers the products associated with the Corporation's assets by gathering, processing and pipeline systems, some of which it does not own. The amount of oil and natural gas that the Corporation is able to produce and sell is subject to the accessibility, availability, proximity and capacity of these gathering, processing and pipeline systems. Any significant change in market factors or other conditions affecting these infrastructure systems and facilities, as well as any delays in constructing new infrastructure systems and facilities could harm the Corporation's business financial condition, results of operations, cash flows and future prospects.

Credit Facility: The Corporation is party to the reserves based lending facility. The terms of the facility contain operating and financial covenants and restrictions on the ability of the Corporation to, among other things, incur or lend additional debt, pay dividends and make restricted payments, encumber its assets, sell assets and enter into certain merger or consolidation transactions. The failure of the Corporation to comply with the covenants contained in the facility could result in an event of default, which could, through acceleration of debt, enforcement of security or otherwise, materially and adversely affect the operating results and financial condition of the Corporation.

Competition for Resources and Markets: The international petroleum industry is competitive in all its phases. The Corporation competes with numerous other organizations in the search for, and the acquisition of, oil and natural gas properties and in the marketing of oil and natural gas.

Hedging Strategies: From time to time, the Corporation may enter into agreements to receive fixed prices on its oil and natural gas production to offset the risk of revenue losses if commodity prices decline; however, if commodity prices increase beyond the levels set in such agreements, the Corporation will not benefit from such increases. Similarly, from time to time, the Corporation may enter into agreements to fix the exchange rate of certain currencies. However, if a currency declines in value compared to another currency, the operation of the Corporation’s assets will not benefit from the fluctuating exchange rate if an agreement has fixed such exchange rate.

Climate Change Legislation: The oil and natural gas industry is subject to environmental regulation. A breach of such legislation may result in the imposition of fines or issuance of clean up orders in respect of the Corporation or the Corporation’s assets, some of which may be material. .Climate change policy is evolving at regional, national and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict the impact on the Corporation and its operations and financial condition.

Decommissioning, Abandonment and Reclamation Costs: The Corporation is responsible for compliance with all applicable laws and regulations regarding the decommissioning, abandonment and reclamation of the Corporation’s assets at the end of their economic life, the costs of which may be substantial. It is not possible to predict these costs with certainty since they will be a function of regulatory requirements at the time of decommissioning, abandonment and reclamation and the actual costs may exceed current estimates.

Third-Party Credit Risk: The Corporation may be exposed to third party credit risk through the contractual arrangements associated with the Corporation’s assets with its current or future joint venture partners, marketers of its petroleum and natural gas production, third party uses of its facilities and other parties. In the event such entities fail to meet their contractual obligations in respect of the Corporation’s assets, such failures may have a material adverse effect on the Corporation’s business, financial condition, results of operations and prospects.

Repatriation of Earnings: A significant portion of the revenue-generating operations of the Corporation’s assets is located in Malaysia. In December 2016, the Central Bank of Malaysia implemented measures to facilitate its management of foreign exchange risk. These rules are not expected to have a material adverse effect on the Corporation, but there is a risk that the Central Bank of Malaysia or another authority may implement further measures that will restrict the future repatriation of earnings.

Litigation: In the normal course of the Corporation’s operations, it may become involved in, named as a party to, or be the subject of, various legal proceedings. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Corporation and as a result, could have a material adverse effect on the Corporation’s assets, liabilities, business, financial condition and results of operations.

Economic and Political Developments in Countries in Which the Corporation Operates: International operations are subject to political, economic and other uncertainties. The Corporation’s assets could also be adversely affected by changes in applicable laws and policies of Malaysia, France and the Netherlands, which could have a negative impact on the Corporation.

Terrorism and Sabotage: If any of the properties, wells or facilities comprising the Corporation’s assets is the subject of terrorist attack or sabotage, it may have a material adverse effect on the Corporation's business, financial condition, results of operations, cash flows and future prospects.

Potential Conflicts of Interest: Certain of the individuals who are directors of the Corporation are also directors of other oil and gas companies and as such may, in certain circumstances, have a conflict of interest requiring them to abstain from certain decisions.

Financial Risks

Management Estimates and Assumptions: In preparing consolidated financial statements in conformity with IFRS, estimates and assumptions are used by management in determining the reported amounts of assets and liabilities, revenues and expenses recognized during the periods presented and disclosures of contingent assets and liabilities known to exist as of the date of the financial statements. These estimates and assumptions must be made because certain information that is used in the preparation of such financial statements is dependent on future events, cannot be calculated with a high degree of precision from data available, or is not capable of being readily calculated based on generally accepted methodologies. In some cases, these estimates are particularly difficult to determine and the Corporation must exercise significant judgment. Actual results for all estimates could differ materially from the estimates and assumptions used by the Corporation, which could have a material adverse effect on the Corporation's business, financial condition, results of operations, cash flows and future prospects.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting: Effective disclosure controls and procedures and internal controls over financial reporting are necessary for the Corporation to provide reliable financial and other disclosures and to help prevent fraud. The Corporation cannot be certain that the procedures it undertakes to help ensure the reliability of its financial reports and other disclosures, including those imposed on it under Canadian securities laws, will ensure that it maintains adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Corporation's results of operations or cause it to fail to meet its reporting obligations. If the Corporation or its independent auditor discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Corporation's consolidated financial statements and harm the trading price of the common shares.

Income Taxes: Income tax laws relating to the oil and gas industry, such as the treatment of resource taxation or dividends, may in the future be changed or interpreted in a manner that adversely affects the Group's assets. Furthermore, there is a risk that the relevant tax authorities will not agree with management's calculation of the income for tax purposes associated with the Group's assets or that such tax authorities will change their administrative practices to the detriment of the Corporation. In the event of a successful reassessment of the Corporation's income tax returns, such reassessment may have an impact on current and future taxes payable.

DISCLOSURE CONTROLS AND INTERNAL CONTROL OVER FINANCIAL REPORTING

As a result of the Corporation's initial public filing a non-offering long form prospectus offering on April 17, 2017, the Corporation is a reporting issuer in Canada from that date. As such, the Corporation is not required to and is not certifying as to the design and operating effectiveness of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR") as at March 31, 2017. Comments with respect to DC&P and ICFR are based on management's observations of the Corporation's control environment and not on a complete assessment of DC&P and ICFR.

OTHER SUPPLEMENTARY INFORMATION

Abbreviations

CAD	Canadian dollar
EUR	Euro
USD	US dollar
US$ thousands	Thousand US dollar

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
MMbo	Million barrels of oil
Mcf	Thousand cubic feet
NGL	Natural gas liquid

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