International Petroleum Corporation Announces Second Quarter 2024 Financial and Operational Results and Releases Sustainability Report

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International Petroleum Corp. (IPC or the Corporation) (TSX, Nasdaq Stockholm: IPCO) today released its financial and operational results and related management's discussion and analysis (MD&A) for the three and six months ended June 30, 2024. IPC also released its Sustainability Report, which details the Corporation's environmental, social and governance (ESG) performance.

William Lundin, IPC's President and Chief Executive Officer, comments: "We are pleased to announce another positive quarter of production and operational performance, in line with our guidance. IPC achieved an average net daily production during the second quarter of 48,400 barrels of oil equivalent per day (boepd), with our operating cash flows strengthened by robust oil prices. At the same time, we also continue to purchase IPC common shares under the normal course issuer bid, having now completed two-thirds of the current 2023/2024 program and on track to complete the program by December. We are also pleased to report that the Blackrod Phase 1 development in Canada continues to progress in line with schedule and budget, with a substantial amount of work advancing during this 2024 peak investment year as we continue to forecast first oil in late 2026."

Q2 2024 Business Highlights

- Average net production of approximately 48,400 boepd for Q2 2024 was in line with the guidance range for the period (50% heavy crude oil, 17% light and medium crude oil and 33% natural gas).(1)
- Progressing development activities on Phase 1 of the Blackrod project which remains on schedule and on budget.
- 2.2 million IPC common shares purchased and cancelled during Q2 2024 under IPC's normal course issuer bid (NCIB) and continuing with target to complete the full 2023/2024 NCIB this year.

Q2 2024 Financial Highlights

- Operating costs per boe of USD 14.7 for Q2 2024, below guidance.(3)
- Operating cash flow (OCF) generation of MUSD 102 for Q2 2024, ahead of the guidance range.(3)
- Capital and decommissioning expenditures of MUSD 86 for Q2 2024, in line with guidance.
- Free cash flow (FCF) generation for Q2 2024 amounted to MUSD 8 (MUSD 75 pre-Blackrod Phase 1 project funding).(3)
- Gross cash of MUSD 369 and net debt of MUSD 88 as at June 30, 2024.(3)
- Net result of MUSD 45 for Q2 2024.

Reserves and Resources

- Total 2P reserves as at December 31, 2023 of 468 MMboe, with a reserves life index (RLI) of 27 years.(1)(2)
- Contingent resources (best estimate, unrisked) as at December 31, 2023 of 1,145 MMboe.(1)(2)

2024 Annual Guidance

- Full year 2024 average net production guidance range maintained at 46,000 to 48,000 boepd.(1)
- Full year 2024 operating costs expected to be at the low end of the guidance range of USD 18 to 19 per boe.(3)
- Full year 2024 OCF guidance estimated at between MUSD 327 and 350 (assuming Brent USD 70 to 90 per boe for the remainder of 2024).(3)
- Full year 2024 capital and decommissioning expenditures guidance forecast maintained at MUSD 437.

- Full year 2024 FCF guidance estimated at between MUSD -146 and -123 (assuming Brent USD 70 to 90 per boe for the remainder of 2024), after taking into account MUSD 362 of forecast full year 2024 capital expenditures relating to the continued development of Phase 1 of the Blackrod project.(3)

	Three months ended June 30		Six months ended June 30	
USD Thousands	2024	2023	2024	2023
Revenue	219,040	205,564	425,459	398,080
Gross profit	72,708	52,747	127,892	117,130
Net result	45,210	32,025	78,929	71,588
Operating cash flow (3)	101,941	84,372	191,242	160,272
Free cash flow (3)	7,559	16,415	(35,752)	32,674
EBITDA (3)	103,971	85,201	190,991	161,280
Net cash/(debt) (3)	(88,220)	63,548	(88,220)	63,548

Market conditions for oil commodities continued to improve following the first quarter of 2024, with Brent prices averaging USD 85 per barrel in the second quarter compared to USD 83 per barrel during the first quarter. Proactive supply management by the OPEC+ group, led by Saudi Arabia, continues to impact the balancing of the market. The OPEC decision in early June to extend official production cuts to end 2025 and to gradually unwind some of the voluntary cuts by the end of September 2024, subject to market conditions, signalled what may be a continued commitment to sustain higher oil prices. Global inventories have remained largely unchanged through the second quarter, with OECD levels remaining below the five year average, and market observers expect a deficit in the oil market for the remainder of 2024. With tight physical markets supported by cooling global inflation, strong crude prices are expected to persist for the second half of the year. Around 50% of IPC's forecast 2024 oil production is hedged at USD 80 per barrel West Texas Intermediate (WTI) or USD 85 per barrel Dated Brent through the third quarter to end 2024.

With the Trans Mountain expansion (TMX) pipeline commencing operations in the second quarter of 2024, the WTI to Western Canadian Select (WCS) crude price differentials averaged around USD 14 per barrel, approximately USD 5 per barrel lower than the first quarter differential average of USD 19 per barrel. Crude exports from the new TMX pipeline are ramping up off the coast of British Columbia, with deliveries to the US West Coast and Asia creating new end destinations for Canadian heavy oil. This, combined with some curtailed volumes in the Western Canadian Sedimentary Basin due to forest fires, are driving tighter differential forecasts for the third quarter of 2024. Our base case market guidance for the WTI/WCS differential remains unchanged at USD 15 per barrel for 2024. Approximately 70% of our forecast 2024 Canadian WCS production volumes are hedged at WTI/WCS differentials of USD 15 per barrel.

Natural gas prices remained below our 2024 base case guidance of CAD 2.13 per Mcf for the second quarter. IPC's average realized gas price was CAD 1.2 per Mcf during the second quarter, compared to CAD 2.5 per Mcf average for the first three months of the year. Western Canada gas storage levels sit above the five year range in anticipation for the Shell-led LNG Canada project start-up in British Columbia. Natural gas prices are anticipated to stay supressed until the additional export capacity is on stream from the LNG Canada project.

Second Quarter 2024 Highlights and Full Year 2024 Guidance

IPC delivered average daily production rates of 48,400 boepd for the second quarter, in line with our 2024 Capital Markets Day (CMD) production forecast. High uptimes were achieved across all major producing assets in our portfolio during the quarter and the business benefited from the recently drilled oil wells within our Southern Alberta assets and the new wells brought on stream from sustaining Pad L at the Onion Lake Thermal (OLT) asset in Canada. With strong aggregate IPC production of 48,600 boepd on average for the first half of the year, IPC is well positioned to deliver within the production guidance of 46,000 to 48,000 boepd for the full year.(1)

Operating costs in the second quarter of 2024 were USD 14.7 per boe, lower than our guidance. The lower costs were largely driven by lower energy input costs within our Canadian assets. In the third quarter of 2024, a two week planned maintenance shutdown is scheduled at the OLT asset as well as a multi-day planned maintenance shutdown at the Bertam field. Full year 2024 operating costs are expected to be at the low end of the guidance range of USD 18 to 19 per boe.(3)

Operating cash flow (OCF) generation for the second quarter of 2024 was USD 102 million, ahead of guidance due to lower operating costs and stronger oil benchmark prices than forecast. Full year 2024 OCF guidance is revised to USD 327 to 350 million (assuming Brent USD 70 to 90 per barrel for the remainder of 2024).[3]

Capital and decommissioning expenditure for the second quarter was in line with plan at USD 86 million. Our full year 2024 capital and decommissioning expenditure guidance is unchanged at USD 437 million.

Free cash flow (FCF) generation was USD 8 million (or USD 75 million pre-Blackrod Phase 1 development funding) during the second quarter of 2024. Full year 2024 FCF guidance is revised to USD -146 to -123 million (or USD 216 to 239 million pre-Blackrod Phase 1 development funding) assuming Brent USD 70 to 90 per barrel.[3]

Net debt was increased during the second quarter of 2024 by approximately USD 27 million to USD 88 million, largely as a result of funding the normal course issuer bid (NCIB) share repurchase program.[3] The gross cash position as at June 30, 2024 was USD 369 million. Furthermore, IPC's CAD 180 million Revolving Credit Facility (RCF) has been extended to maturity in May 2026.

With a robust balance sheet and strong cashflow generation from the producing assets, IPC is strongly positioned to deliver on our three strategic pillars of organic growth, shareholder returns and pursue value adding M&A.

Blackrod Phase 1 Project

The Blackrod asset is 100% owned by IPC and hosts the largest booked reserves and contingent resources within the IPC portfolio. After greater than a decade of pilot operations, subsurface delineation and commercial engineering studies, IPC sanctioned the Phase 1 development in the first quarter of 2023. The Phase 1 development targets 218 MMboe of 2P reserves, out of the 1.28 billion boe of full field 2P reserves and best estimate contingent resources, with a multi-year forecast capital expenditure of USD 850 million to first oil planned in late 2026. The Phase 1 development is planned for plateau production of 30,000 bopd which is expected by early 2028. As at January 1, 2024, the net present value (NPV10) of the Blackrod Phase 1 development is USD 981 million and Phase 1 has an estimated WTI breakeven price of less than USD 55 per barrel.[1][2]

2024 marks a peak investment year at the Blackrod Phase 1 project for IPC, with USD 362 million planned to be spent in the year. Project progress has advanced according to plan, with approximately USD 163 million spent through the first half of 2024. All major third party contracts have been executed, including but not limited to, engineering procurement construction (EPC) agreements for the central processing facility (CPF), well pad facilities, midstream agreements for the input fuel gas, diluent and oil blend pipelines, drilling rig and stakeholder agreements. All major long lead items have been procured and pre-operations onboarding is under way as the asset undergoes rapid change from a pilot steam assisted gravity drainage (SAGD) operation to a commercial SAGD operation. It is IPC's core operational philosophy to responsibly develop and commission projects with staff that are going to manage and operate the asset to ensure the transition from development to operations is seamless.

As at the end of the second quarter of 2024, just under half of the Blackrod Phase 1 development capital had been spent since the project sanction in early 2023. All major work streams have progressed as planned and the focus remains on executing to the detailed sequencing of events as facility modules are safely delivered and installed at site. The total Phase 1 project guidance of USD 850 million capital expenditure to first oil in late 2026 is unchanged. IPC intends to fund the remaining Blackrod Phase 1 development costs with forecast cash flow generated by its operations and cash on hand.

Stakeholder Returns: Normal Course Issuer Bid

In the fourth quarter of 2023, IPC announced the renewal of the NCIB, with the ability to repurchase up to approximately 8.3 million common shares over the period of December 5, 2023 to December 4, 2024. Under the 2023/2024 NCIB, IPC repurchased and cancelled approximately 1.2 million common shares in December

2023 and a further 3.7 million common shares during the first half of 2024. The average price of common shares purchased under the 2023/2024 NCIB during the first half of 2024 was SEK 126 / CAD 16 per share.

As at June 30, 2024, IPC had a total of 123,271,885 common shares issued and outstanding and IPC held no common shares in treasury. As at July 26, 2024, IPC had a total of 123,271,885 common shares issued and outstanding and IPC held 1,027,147 common shares in treasury.

Notwithstanding the record level of capital investment forecast for 2024, IPC confirms its intention to continue to purchase and cancel common shares under the 2023/2024 NCIB to the remaining limit as at July 1, 2024 of 3.4 million common shares by early December 2024. This would result in the cancellation of 6.5% of shares outstanding as at the beginning of December 2023. IPC continues to believe that reducing the number of shares outstanding while in parallel investing in material production growth at the Blackrod project will prove to be a winning formula for our stakeholders.

Environmental, Social and Governance (ESG) Performance

Alongside the publication of our second quarter 2024 financial report, IPC releases its fifth annual Sustainability Report. The Sustainability Report provides details on IPC's approach to sustainability highlighting specific initiatives related to the key focus areas set by IPC. The Sustainability Report is available on IPC's website at www.international-petroleum.com.

During the second quarter of 2024, IPC recorded no material safety or environmental incidents.

As previously announced, IPC targets a reduction of our net GHG emissions intensity by the end of 2025 to 50% of IPC's 2019 baseline and IPC remains on track to achieve this reduction. During the first quarter of 2024, IPC announced the commitment to remain at 2025 levels of 20 kg CO_2/boe through to the end of 2028.[(4)]

Notes:
(1) See "Supplemental Information regarding Product Types" in "Reserves and Resources Advisory" below. See also the annual information form for the year ended December 31, 2023 (AIF) available on IPC's website at www.international-petroleum.com and under IPC's profile on SEDAR+ at www.sedarplus.ca.
(2) See "Reserves and Resources Advisory" below. Further information with respect to IPC's reserves, contingent resources and estimates of future net revenue, including assumptions relating to the calculation of NPV, are described in the AIF.
(3) Non-IFRS measures, see "Non-IFRS Measures" below and in the MD&A.
(4) Emissions intensity is the ratio between oil and gas production and the associated carbon emissions, and net emissions intensity reflects gross emissions less operational emission reductions and carbon offsets.

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

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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 July 30, 2024. The Corporation's unaudited interim condensed consolidated financial statements (Financial Statements) and management's discussion and analysis (MD&A) for the three and six months ended June 30, 2024 have been filed on SEDAR+ (www.sedarplus.ca) and are also available on the Corporation's website (www.international-petroleum.com).

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

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

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

- 2024 production ranges (including total daily average production), production composition, cash flows, operating costs and capital and decommissioning expenditure estimates;
- Estimates of future production, cash flows, operating costs and capital expenditures that are based on IPC's current business plans and assumptions regarding the business environment, which are subject to change;
- IPC's financial and operational flexibility to continue to react to recent events and navigate the Corporation through periods of volatile commodity prices;
- The ability to fully fund future expenditures from cash flows and current borrowing capacity;
- IPC's intention and ability to continue to implement strategies to build long-term shareholder value;
- The ability of IPC's portfolio of assets to provide a solid foundation for organic and inorganic growth;
- The continued facility uptime and reservoir performance in IPC's areas of operation;
- Development of the Blackrod project in Canada, including estimates of resource volumes, future production, timing, regulatory approvals, third party commercial arrangements, breakeven prices and net present value;
- Future development potential of the Suffield, Brooks, Ferguson and Mooney operations, including the timing and success of future oil and gas drilling and optimization programs;
- Current and future operations and production performance at Onion Lake Thermal;
- The potential improvement in the Canadian oil egress situation and IPC's ability to benefit from any such improvements;
- The ability to maintain current and forecast production in France and Malaysia;
- The intention and ability of IPC to acquire further common shares under the NCIB, including the timing of any such purchases;
- The return of value to IPC's shareholders as a result of the NCIB;
- The ability of IPC to implement further shareholder distributions in addition to the NCIB;
- IPC's ability to implement its greenhouse gas (GHG) emissions intensity and climate strategies and to achieve its net GHG emissions intensity reduction targets;
- IPC's ability to implement projects to reduce net emissions intensity, including potential carbon capture and storage;
- Estimates of reserves and contingent resources;
- The ability to generate free cash flows and use that cash to repay debt;
- IPC's continued access to its existing credit facilities, including current financial headroom, on terms acceptable to the Corporation;
- IPC's ability to maintain operations, production and business in light of any future pandemics and the restrictions and disruptions related thereto, including risks related to production delays and interruptions, changes in laws and regulations and reliance on third-party operators and infrastructure;
- IPC's ability to identify and complete future acquisitions;
- Expectations regarding the oil and gas industry in Canada, Malaysia and France, including assumptions regarding future royalty rates, regulatory approvals, legislative changes, and ongoing projects and their expected completion; and
- Future drilling and other exploration and development activities.

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

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

These include, but are not limited to general global economic, market and business conditions; the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, resources, production, revenues, costs and expenses; health, safety and environmental risks; commodity price fluctuations; interest rate and exchange rate fluctuations; marketing and transportation; loss of markets; environmental and climate-related risks; competition; innovation and cybersecurity risks related to our systems, including our costs of addressing or mitigating such risks; the ability to attract, engage and retain skilled employees; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; the ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; geopolitical conflicts, including the war between Ukraine and Russia and the conflict in the Middle East, and their potential impact on, among other things, global market conditions; and changes in legislation, including but not limited to tax laws, royalties, environmental and abandonment regulations.

Additional information on these and other factors that could affect IPC, or its operations or financial results, are included in the MD&A (See "Risk Factors", "Cautionary Statement Regarding Forward-Looking Information" and "Reserves and Resources Advisory" therein), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2023, (See "Cautionary Statement Regarding Forward-Looking Information", "Reserves and Resources Advisory" and "Risk Factors") and other reports on file with applicable securities regulatory authorities, including previous financial reports, management's discussion and analysis and material change reports, which may be accessed through the SEDAR+ website (www.sedarplus.ca) or IPC's website (www.international-petroleum.com).

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

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

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

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

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

Statements:

	Three months ended June 30		Six months ended June 30	
USD Thousands	2024	2023	2024	2023
Revenue	219,040	205,564	425,459	398,080
Production costs	(111,381)	(116,597)	(227,126)	(234,124)
Current tax	(5,718)	(4,595)	(7,091)	(8,586)
Operating cash flow	101,941	84,372	191,242	155,370

The operating cash flow for the six months ended June 30, 2023 including the operating cash flow contribution of the Brooks assets acquisition from the effective date of January 1, 2023 to the completion date of March 3, 2023 amounted to USD 160,272 thousand.

Free cash flow

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

	Three months ended June 30		Six months en	
USD Thousands	2024	2023	2024	2
Operating cash flow - see above	101,941	84,372	191,242	1
Capital expenditures	(84,101)	(58,822)	(209,357)	(
Abandonment and farm-in expenditures[1]	(2,241)	(3,717)	(2,363)	(
General, administration and depreciation expenses before depreciation[2]	(3,689)	(3,766)	(7,342)	(
Cash financial items[3]	(4,351)	(1,652)	(7,932)	(
Free cash flow	7,559	16,415	(35,752)	3

[1] See note 16 to the Financial Statements
[2] Depreciation is not specifically disclosed in the Financial Statements
[3] See notes 4 and 5 to the Financial Statements

The free cash flow for the six months ended June 30, 2023 including the free cash flow contribution of the Brooks assets acquisition from the effective date of January 1, 2023 to the completion date of March 3, 2023 amounted to USD 32,674 thousand.

EBITDA

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

	Three months ended June 30		Six month
USD Thousands	2024	2023	2024
Net result	45,210	32,025	78,929
Net financial items	10,048	6,955	19,818
Income tax	13,470	9,609	21,216
Depletion and decommissioning costs	32,661	33,362	65,814
Depreciation of other tangible fixed assets	2,218	2,436	4,480
Exploration and business development costs	72	422	147
Depreciation included in general, administration and depreciation expenses [1]	292	392	587
EBITDA	103,971	85,201	190,991

[1] Item is not shown in the Financial Statements

The EBITDA for the six months ended June 30, 2023 including the EBITDA contribution of the Brooks assets acquisition from the effective date of January 1, 2023 to the completion date of March 3, 2023 amounted to USD 161,280 thousand.

Operating costs

The following table sets out how operating costs is calculated:

	Three months ended June 30		Six months ended June 30	
USD Thousands	2024	2023	2024	2023
Production costs	111,381	116,597	227,126	234,124
Cost of blending	(41,675)	(40,870)	(86,881)	(88,687)
Change in inventory position	(4,872)	4,560	405	10,295
Operating costs	64,834	80,287	140,650	155,732

The operating costs for the six months ended June 30, 2023 including the operating costs contribution of the Brooks assets acquisition from the effective date of January 1, 2023 to the completion date of March 3, 2023 amounted to USD 162,533 thousand.

Net cash/(debt)
The following table sets out how net cash/(debt) is calculated:

USD Thousands	June 30, 2024	December 31, 2023
Bank loans	(7,017)	(9,031)
Bonds[1]	(450,000)	(450,000)
Cash and cash equivalents	368,797	517,074
Net cash/(debt)	(88,220)	58,043

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

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

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in Canada are effective as of December 31, 2023, and are included in the reports prepared by Sproule Associates Limited (Sproule), an independent qualified reserves evaluator, in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* (NI 51-101) and the Canadian Oil and Gas Evaluation Handbook (the COGE Handbook) and using Sproule's December 31, 2023 price forecasts.

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

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

The reserve life index (RLI) is calculated by dividing the 2P reserves of 468 MMboe as at December 31, 2023 by the mid-point of the 2024 CMD production guidance of 46,000 to 48,000 boepd.

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

Supplemental Information regarding Product Types

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

	Heavy Crude Oil (Mbopd)	Light and Medium Crude Oil (Mbopd)	Conventional Natural Gas (per day)	Total (Mbo
Three months ended				
June 30, 2024	24.3	8.0	96.5 MMcf (16.1 Mboe)	48.4
June 30, 2023	25.3	9.2	104.0 MMcf (17.3 Mboe)	51.8
Six months ended				
June 30, 2024	24.6	8.0	96.2 MMcf (16.0 Mboe)	48.6
June 30, 2023	26.0	9.4	102.0 MMcf (17.0 Mboe)	52.3
Year ended				
December 31, 2023	25.8	8.1	102.8 MMcf (17.1 Mboe)	51.1

This press release also makes reference to IPC's forecast total average daily production of 46,000 to 48,000 boepd for 2024. IPC estimates that approximately 50% of that production will be comprised of heavy oil, approximately 16% will be comprised of light and medium crude oil and approximately 34% will be comprised of conventional natural gas.

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

Attachment

- Q2 2024 FS and MD-A