TCFD Report

International Petroleum Corp.

Contents

Overview

This TCFD Report serves as International Petroleum Corporation's (IPC) disclosure of the climate-related risks and opportunities to our business. This report describes how climate change scenarios may impact our business and outlines our strategy to mitigate those potential impacts.

At IPC, we take our responsibility towards the environment seriously and recognize the importance of promoting good environmental practices. We have integrated climate change risk assessment into our strategic decision-making processes and are committed to incorporating climate-related factors into our operations, in alignment with the guidelines set forth by the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).

To this end, we have structured this report in accordance with the TCFD recommendations, covering our governance structures, strategy, risk management, and metrics and targets. Our objective is to maintain transparency with all stakeholders, including investors, employees, communities, and governments, regarding the risks we face and the measures we are taking to address and mitigate them.

While this report focuses on climate-related risks and opportunities, we have also published corporate sustainability disclosure on other environmental, social, and governance (ESG) topics in our annual Sustainability Report. By reporting on our sustainability-related activities, we aim to demonstrate our commitment to responsible business practices and the creation of long-term value for all of our stakeholders.

What is TCFD?

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The Task Force for Climate-related Financial Disclosures (TCFD) was established in 2015 by the Financial Stability Board (FSB), and their recommendations are used by companies to align their climate related financial disclosures with a consistent global standard.

The FSB is an international body that monitors and makes recommendations about the global financial system. It was established after the G20 London summit in April 2009. The Board includes all G20 major economies, FSF members, and the European Commission

Our Approach to Sustainability – Climate Action

IPC is focused on responsibly producing oil and natural gas, which are vital for meeting global demands for accessible and affordable energy.

Oil and natural gas production has a crucial role in meeting the world's energy requirements through the production of low cost energy to assist global economic development. At the same time, we acknowledge the effects of climate change and we integrate climate risk considerations into strategic planning. We are committed to actively reducing, minimizing, and offsetting emissions while ensuring that our development activities remain economically viable.

We believe that mitigating the impact of hydrocarbon extraction is necessary and have made significant commitments to reducing our greenhouse gas emissions (GHG) intensity. Through various operational emissions reduction initiatives and carbon offsetting projects, we have pledged to reduce our Scope 1 net emissions intensity by 50% to reach 20kg CO_2e/boe by 2025 and maintain that reduction through 2027.

Responding to the Recommendations of the TCFD

At IPC, we recognize the importance of managing and reporting on climate-related risks and adhering to global best practices. To demonstrate our commitment to promoting transparency and accountability in addressing climate-related risks and opportunities, we have aligned our reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD recommendations are based on four pillars: governance, strategy, risk management, and metrics and targets, which are supported by principal climate-related financial disclosures. This framework enhances stakeholders' understanding of our climate-related issues and helps to ensure transparency and accountability.

TCFD KEY PILLAR	Description	TCFD Recommendation
GOVERNANCE	The organization's governance around climate related risks and opportunities	Describe the Board's oversight of climate-related risks and opportunities. Describe management's role in assessing and managing climate-related risks and opportunities.
STRATEGY	The actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning where such information is material	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.
RISK MANAGEMENT	The process used by the organization to identify, assess, and manage climate related risks	Describe the organization's processes for identifying and assessing climate-related risks. Describe the organization's processes for managing climate-related risks. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.
METRICS AND TARGETS	The metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

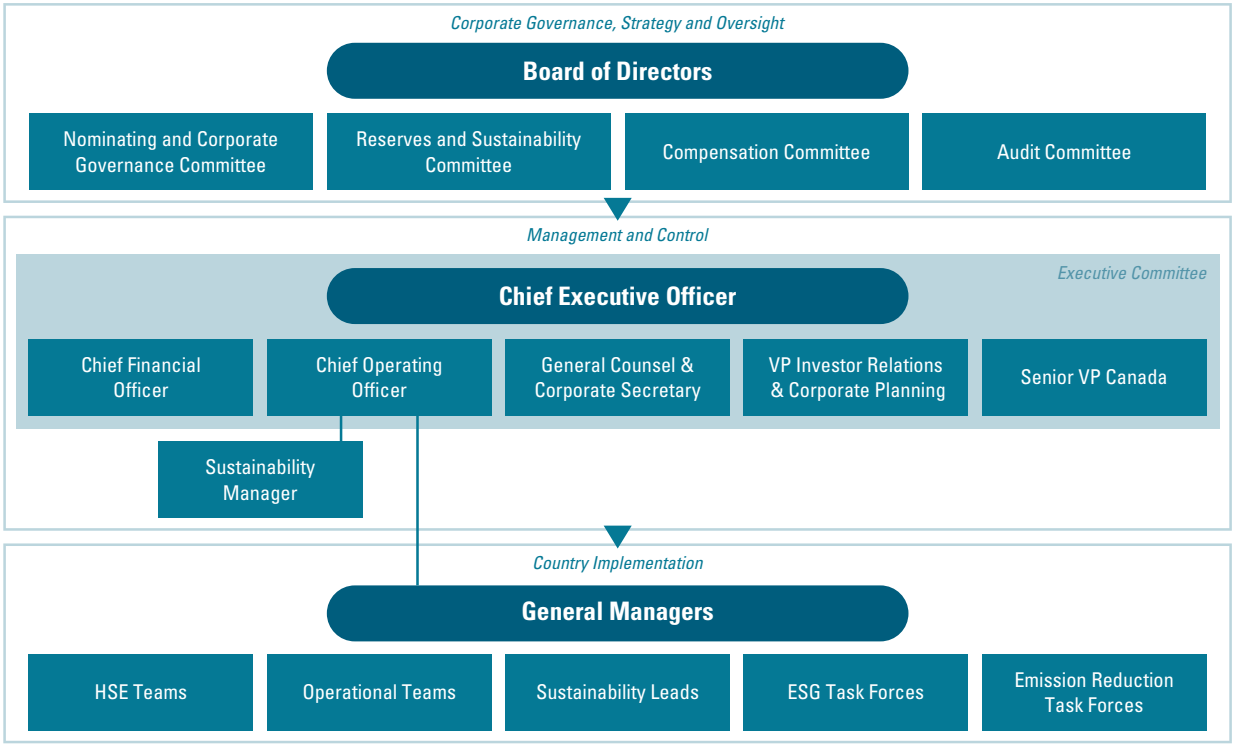
TCFD Report

In the following sections, we will outline our efforts to align with each of the four TCFD key pillars. We believe our actions and commitment to TCFD will contribute to the development of a more resilient and sustainable global economy positioned to better withstand the challenges of a changing climate.

GOVERNANCE

IPC's oversight of climate related risks and opportunities is embedded at the highest level of our company. We are continually evolving our corporate governance structure in recognition of the urgency of climate action and in response to our increasing understanding of the impact of climate change on our business.

IPC recognizes the importance of incorporating climate-related factors into our governance framework. Effective oversight by IPC's Board of Directors (Board) and senior management is essential for evaluating and managing the potential effects of climate change on strategic and financial planning, as well as business performance. To this end, we have taken steps to embed climate-related considerations into our governance structure at both levels.



Board Oversight

IPC's Board is committed to ensuring effective governance mechanisms are implemented to oversee the Company's operational, financial, ESG, and climate change issues. To monitor and evaluate IPC's performance in these areas, the Board has implemented reporting mechanisms that provide relevant information and updates on progress and continuous improvement efforts. Additionally, the Board is responsible for overseeing and monitoring executive remuneration, which is linked to ESG performance, including progress towards targets. There is a 15% weighting for climate, environmental, and safety targets in the determination of variable executive remuneration. By aligning executive remuneration with ESG performance, IPC aims to promote accountability and incentivize progress towards our sustainability goals.

In 2021, IPC's Board took a significant step towards enhancing the company's sustainability governance by revising the mandate of the Reserves and Sustainability Committee. This committee's responsibilities were expanded to include reviewing and reporting on sustainability matters to the Board, which includes climate-related implications. The CEO, COO, and Sustainability Manager jointly share the responsibility for keeping the Board informed and engaged on climate-related matters.

Climate-related issues are taken into account in decision-making processes for organizational strategy and business planning. In early 2022, IPC conducted a formal climate awareness and risk overview session with the Board of Directors. When considering ongoing capital expenditures as well as new investments and acquisitions, projected emissions and the impact on IPC's climate strategy are included in the decision-making process.

IPC's Board of Directors and Reserves and Sustainability Committee have ultimate accountability and oversight over the Company's climate risks and opportunities. They are responsible for monitoring progress towards IPC's emission intensity reduction target and ensuring that the Company's climate risk management practices are robust and effective.

TCFD Report

Management Oversight & Climate Governance

At IPC, our executive leadership is committed to identifying and managing risks facing our business, including those related to climate change. Climate-related issues are integrated into the organization's management structure, with oversight from the Board, Executive Committee, and local ESG task forces. The CEO and Executive Committee, along with General Managers locally, are responsible for the day-to-day handling of climate-related issues.

The Executive Committee is specifically tasked with reviewing, assessing, and managing all climate-related risks and opportunities. The Sustainability Manager provides regular updates to management and the Board, ensuring all relevant information is communicated in a timely manner. Senior management's remuneration is tied to the company's performance on ESG initiatives, including our carbon intensity reduction targets.

This integrated approach ensures effective processes are in place to proactively identify and manage climate-related risks, and that management is held accountable for monitoring and addressing these issues.

STRATEGY

Climate change is considered to bring material risks and opportunities for IPC, with potential impacts on our economic planning over the short to long term.

As such, the Strategy Pillar of our TCFD Report discloses the actual and potential material impacts of climate-related risks and opportunities on our business, strategy, and financial planning.

We recognize the importance of providing transparent and clear information to our stakeholders to enable them to make informed decisions regarding our operations. Through our disclosures, we strive to promote greater understanding and awareness of the significance of sustainability in our industry and beyond.

By identifying and disclosing material climate-related risks and opportunities, we are taking proactive steps to manage and mitigate associated risks in aid of creating a sustainable and resilient business model that can effectively navigate the challenges posed by climate change while creating long-term value for our stakeholders.

Climate-related Risks and Opportunities

At IPC, we understand the importance of comprehensively assessing both physical and transition climate risks to secure our long-term success and create value for our stakeholders. With this in mind, we have been actively engaged with the TCFD since the release of our 2021 Sustainability Report.

To achieve our goal of a detailed and nuanced understanding of these risks, we have collaborated with the Lundin Foundation to undertake comprehensive exercises aimed at identifying the most relevant climate risks to our business. This exercise involved engaging with core internal stakeholders, including operations-level personnel, functional leads, senior management, and our Board.

Through this process, we have developed a detailed list of climate risks that are mapped to each of our assets, enabling us to manage and mitigate climate-related risks effectively and create long-term value for our stakeholders. Our assessments have considered risks at both local and global levels, and each unit has evaluated how climate-related risks may impact their strategy and future business projections.

Through this process we have identified the physical and transition risks associated with climate which are deemed material to IPC. Our aim in sharing this information is to enhance transparency and accountability concerning our approach to managing climate risks and to contribute to the development of a more sustainable and resilient global economy.

We have assigned short (1-2 years), medium (5 years) and long (5+ years) term time horizons to each risk to determine when a material financial impact is likely to occur. These time horizons align with our enterprise risk management program.

TCFD Report

PHYSICAL RISKS

Risk Description	Timeframe	Risk Detail	Mitigations in Place
Extreme variability in weather patterns: precipitation, droughts, sea level, water stress	Long	Variability in weather patterns, especially an increase in water stress can affect or disrupt operations and increase operating costs via water pricing.	We support and invest in technological advancements or infrastructure changes that reduce reliance on water or increase recycling rates.
Increased likelihood and severity of wildfires	Short	Wildfires can cause operational disruptions and lead to loss of production income. Damage to infrastructure increases capital costs. Areas at high risk of wildfires face increased insurance premiums.	Our operations contain fire break/stop gap systems and are built with as much fire-resistant material as possible.
Climate-related supply chain disruptions	Medium	Disruption to supply chain due to climate change related events can result in operational downtime if key inputs cannot be secured. Delays can also result in reduced revenue from decreased production capacity.	We keep sufficient critical spares at all facilities (with the option to expand stores) and have the ability to continue operations with reduced inputs at a lower efficiency.
Increasing carbon prices	Short	Increasing carbon prices impact our expenditures. This impact will grow as carbon prices increase in the coming years and could lead to asset impairment and early retirement of assets as the worst outcome	We are actively undertaking activities to reduce our emissions at all sites and have an organization wide carbon reduction target in place. All material costs are modelled in assets (including carbon costs) and we include higher future carbon pricing projections in our internal modelling.
Award and renewal of licenses and emerging regulation	Long	Increased scrutiny of applications for licenses, permits and authorizations to develop assets and projects can delay, limit or prevent future development of assets or affect the productivity of assets and the costs associated. Increasing the administrative burden of applications could significantly increase the time and resources devoted to the process.	We have an ongoing engagement with the Government authorities.
Stigmatization of O&G industry	Short	Reputational concerns can impact financial performance, company valuation, talent attraction and retention and achievement of social license to operate through increased stakeholder concerns about the contribution of the fossil fuel industry to climate change.	We have a strong focus on stakeholder engagement and community development. We are in a continual process to align our reporting with the TCFD to more transparently report on our climate-related issues.

TCFD Report

CLIMATE-RELATED OPPORTUNITIES

Type	Climate-Related Opportunity	Response
Resource Efficiency	Generate offset carbon credits Reduce water usage and consumption Energy audits to reduce consumption and GHG emissions, lowering costs and increasing efficiencies	IPC's active engagement in the Canadian carbon market creates avenues for monetizing offset credits generated through energy efficiency initiatives. By investing in and developing offset projects, IPC anticipates increased value of these credits in parallel with rising carbon prices.
Energy Source	Adoption and increased use of lower emission energy technologies	IPC is implementing initiatives to enable electrification and strategic investments in low-carbon businesses. Our decision-gate framework integrates source energy and emissions evaluation into investment decisions and R&D activities. In Canada, IPC is actively reducing trucking activities and transitioning to pipeline transportation where possible. Fuel switching options, including biofuels and hydrogen (H2), are being evaluated for trucking operations. IPC is expanding microturbine electricity generation, aligning with its commitment to energy efficiency and emissions reduction.
Markets	A focus on lower emission and sustainable hydrocarbon development may open new market opportunities Participation in regulated carbon markets may increase revenue	In line with our sustainability objectives, IPC has recently entered into a Power Purchase Agreement (PPA) with TC Energy (TCE). This partnership with TCE has the potential to allow for the sale of excess energy back to the Alberta electricity grid, fostering the growth of renewable energy within the region.
Resilience	Quickly able to respond to evolving regulations and improving both capital and production efficiencies support capitalizing on opportunities	IPC allocates time and resources to enhance our ESG performance and disclosure. It is crucial to strive for continuous improvement in reporting and transparency. This proactive approach can enhance access to capital funding at lower costs.

TCFD Report

Impact of Climate-related Risks and Opportunities on our Strategy and Financial Planning

IPC is committed to integrating climate considerations into our strategic and financial decision-making processes as we continue to gain a better understanding of our climate risks and opportunities. This is reflected in our extensive efforts to integrate carbon considerations into both our internal and external processes, including our asset valuations and acquisition evaluations.

Our approach to carbon integration primarily involves using bottom-up carbon tax emissions forecasting and valuation models that allow us to predict the future impact of carbon taxes on both an asset and corporate level. While our Canadian assets have been the central focus of this process due to their high proportion in our asset portfolio, continued climate risk due diligence has facilitated enhanced awareness around climate risks across all of our operations. As a result, we have integrated these risks and the effects of future carbon pricing into valuation activities across the company.

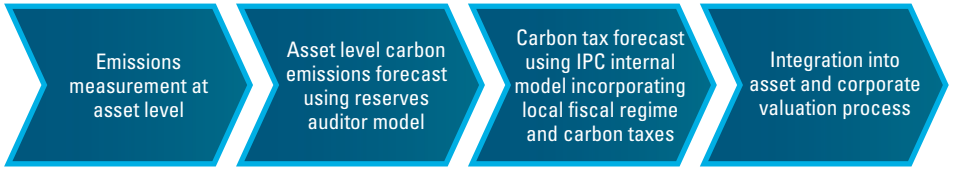
IPC's efforts to reduce carbon emissions and increase transparency are evident through our active participation in carbon offset generation and engagement in the carbon markets. Through our partnership with First Climate, we secure carbon credits to offset a portion of IPC's CO_2 emissions. By sourcing these credits, IPC actively contributes to the expansion of renewable energy in a highly carbon-intensive power supply region, playing a crucial role in shaping a lower-emission future. Carbon offsetting remains an integral part of our approach to lower our net emission intensity, allowing us to reduce our environmental net impact and promote renewable energy adoption. This strategic tool drives positive change and supports the global transition to a greener and more sustainable economy.

In addition to our efforts to integrate climate considerations into our valuation processes, we have also incorporated these considerations into our organizational decision-making through our governance structures. Looking ahead, we remain committed to building out and enhancing these mechanisms to ensure that climate considerations are appropriately considered in our core corporate strategy planning processes. By taking a proactive and integrated approach to managing climate risks and opportunities, we aim to promote sustainable practices that support the long-term well-being of our stakeholders and the environment.

IPC has adopted a forward-looking approach to emissions management, combining GHG accounting, reporting and forecasting. We closely monitor regulatory changes and announcements to ensure compliance and incorporate changes in carbon taxes.

Our carbon tax modelling enables us to plan for future taxes and incorporate them into financial projections. Our efforts to make our emission processes robust and adaptable to changing regulations and requirements are ongoing, and we are continuously striving to improve our practices.

As part of this commitment, IPC's internal audit team conducted an audit of our GHG data gathering, forecasting and reporting processes in 2022-2023. By taking proactive steps to manage emissions and stay ahead of regulatory changes, we are positioning ourselves to create long-term value for our stakeholders while minimizing risks associated with climate change.



Scenario Analysis and our Climate Resilience

IPC conducts regular reviews and analysis of our business model in order to ensure its resiliency over time. We seek to understand the key risks to our business as well as the actions and opportunities available to us to mitigate or counter these risks. This exercise at IPC is a collaborative effort of our Economics, Sustainability, Operations and Finance teams, with oversight from senior management and ultimately the Board.

We regularly analyse various sensitivities to our business outlook on a number of variables, including current and forecast oil and gas prices (including Canadian oil price differentials), carbon tax levels, and proposed capital and operating expenditures. As examples of potential climate-related sensitivities, the following table sets forth three scenarios provided by the International Energy Agency (IEA) that represent a range of assumptions and impacts for scenario analysis, with a primary focus on transition risks.

TCFD Report

Scenario	Description	
Net Zero Emissions by 2050 (NZE)	The NZE scenario shows a hypothetical pathway for the global energy sector to achieve net zero CO_2 emissions by 2050, with advanced economies reaching net zero emissions in advance of others. This scenario also meets key UN Sustainable Development Goals (SDGs), in particular achieving universal energy access by 2030 and major improvements in air quality. It is consistent with limiting global temperature rise to 1.5 °C.	
	Oil price (USD/bbl)	2030: 35 USD / 2050: 24 USD
	Carbon price (USD/tonne CO_2)	2030: 140 USD / 2050: 250 USD (for advanced economies)
		2030: 25 USD / 2050: 180 USD (for developing economies)
Announced Pledges (APS)	The APS scenario aims to show to what extent the announced ambitions and targets, including all recent major national announcements as of September 2022, are on the path to deliver emissions reductions required to achieve net zero emissions by 2050. A net zero pledge for all GHG emissions does not necessarily mean that CO_2 emissions from the energy sector need to reach net zero. Policies in countries that have not yet made a net zero pledge are assumed to be the same as in the STEPS.	
	Oil price (USD/bbl)	2030: 64 USD / 2050: 60 USD
	Carbon price (USD/tonne CO_2)	2030: 135 USD / 2050: 200 USD (for advanced economies with net zero pledges)
		2030: 0 USD / 2050: 47 USD (for developing economies)
Stated Policies Scenario (STEPS)	The STEPS scenario provides a more conservative benchmark for the future, as it does not take for granted that governments will reach all announced goals. STEPS explores where the energy system might go without major additional steer from policy makers. It is not designed to achieve a particular outcome.	
	Oil price (USD/bbl)	2030: 82 USD / 2050: 95 USD
	Carbon price (USD/tonne CO_2)	2030: 54 USD / 2050: 77 USD (for Canada)
		2030: 90 USD / 2050: 113 USD (for European Union)

In reviewing our own sensitivity analysis, as well as reviewing our business strategy in light of the IEA scenarios, IPC is confident that our business plan positions us to remain resilient, maintaining significant positive asset valuations and continuing to generate operational cash flows in the short, medium and long term.

The predominant impact on IPC's value and ability to generate operational cash flows is related to oil and gas pricing. Clearly a combination of very low commodity prices and high carbon taxes (for example, in the NZE scenario above) would adversely affect our ability to generate free cash flow from our business. However, our regular reviews of IPC's business model, combined the guidance of our Board, would in those circumstances allow us to make the strategic decisions necessary to ensure we remain resilient in that type of scenario. We operate almost all of our assets and therefore, IPC maintains significant discretion and control in allocating resources to our assets and determining when and where to make capital expenditures. In the IEA scenarios APS and STEPS describe above, IPC shows positive, or limited adverse, effects on our values and ability to general cash flows, in particular because Canadian carbon tax assumptions are already included in IPC's independently audited 2P reserves model. In respect of the IEA assumptions in the NZE scenario, IPC believes that these oil and gas price assumptions are not realistic for the world economy and the oil and gas industry as a whole. However, IPC is well-prepared to adapt our corporate strategy to lower oil price environments, and significantly reduce our operating costs or curtail our capital expenditure spend, as we successfully demonstrated over the April to December 2020 period.

We will continue to review our business model in the volatile environment in which we operate and explore key strategic alternatives to continuously improve our business resilience over time. We are an entrepreneurial company and we remain ready to adapt our business model to changing regulations, technology, policies and market forces.

IPC understands the importance of maintaining a balance between our sensitivity analysis outcomes and the evolving short-term factors that can influence our long-term assumptions. We recognize the need to consider how the newly expressed energy security requirements impact the assumptions we make for the energy transition in our scenarios, especially in the near future. By carefully assessing these factors, IPC is committed to adopting an adaptable and forward-thinking approach to our energy strategy.

Moving forward, we will continue to monitor and assess the potential impact of such events on our sensitivity analysis and adjust our assumptions as needed. By remaining adaptable and responsive to changing circumstances, we aim to ensure that our strategic and financial decision-making processes remain aligned with our long-term goals and contribute to the creation of sustainable value for our stakeholders.

RISK MANAGEMENT

The Risk Management Pillar serves to disclose the methods and processes by which our organization identifies, assesses, and manages climate-related risks.

Identifying, Assessing, and Managing Climate-related Risks

As part of our enterprise risk management practice, IPC conducts bi-annual risk reviews at both the regional and corporate level. The objective of our risk management framework is to identify, analyze, and manage threats and opportunities within our business on an ongoing basis. By ensuring that risks are continually assessed, reviewed, and communicated, our management team is able to make informed decisions regarding resource allocation.

At the country level, our General Managers bear the responsibility of identifying and effectively communicating the key country-specific risks, which also encompass dedicated consideration of climate risks. This process involves conducting comprehensive assessments to evaluate the potential consequences and likelihood of occurrence, while concurrently devising appropriate measures for risk mitigation and control. Following this, the identified country-level risks and associated opportunities are reported to the corporate level, where they undergo examination and deliberation by the Executive Committee. This rigorous evaluation encompasses the significant risks that affect both individual countries and the organization as a whole. While climate risks are reflected on our country and corporate risk registers, we also conduct periodic stand-alone climate risk reviews, the results of which get integrated in the subsequent enterprise risk review process.

Ultimately, the senior management team assumes the crucial role of ensuring the management of these risks, and the findings are often integrated into subsequent enterprise risk review processes to facilitate comprehensive risk oversight.

We also continually monitor existing and emerging regulatory requirements related to climate change. Climate change regulation at the international, national, and regional levels has the potential to significantly impact the regulatory environment of the oil and natural gas industry in which we operate. As countries work to fulfill their commitments under the Paris Agreement, corresponding regulatory changes could have a material impact on IPC's operations and cash flow from operating activities.

TCFD Report

METRICS AND TARGETS

The purpose of the Metrics and Targets Pillar is to disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Our Commitment to Reducing Operational Emissions

A key objective of IPC's climate action is to mitigate the carbon footprint of our business by reducing emissions. We approach this through a combination of initiatives designed to identify and implement operational emissions reductions, as well as investing in carbon offsetting projects.

We seek to limit GHG emissions and optimize natural resource use where operationally possible. Further, IPC remains committed to applying the Best Available Technique (BAT) principle and to operating our facilities with enhanced efficiency.

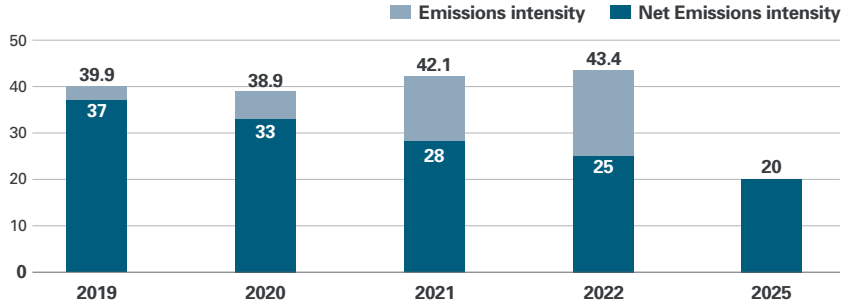
Scope 1, 2, and 3 GHG Emissions and Targets

To effectively implement a climate strategy that thoroughly evaluates costs, risks, and opportunities, IPC recognizes the utmost importance of gaining a clear understanding of its carbon footprint. We have therefore developed a reporting approach that includes mandatory and voluntary reporting requirements to accurately track our GHG emissions and measure performance on an annual basis. We maintain an emissions inventory and identify emission sources for each asset we operate in line with the GHG Protocol. The reporting boundaries applied reflect operational control, and we account for 100% of emissions from operated assets.

IPC diligently reports its scope 1, 2, and 3 emissions, which can be found in our latest Sustainability Report. The variation in emissions between 2021 and 2022 predominantly stems from the notable increase in activity following the COVID-19 pandemic. IPC remains committed to advancing emissions reductions, with a targeted goal of reducing scope 1 net emissions intensity by 50% by 2025, based on a 2019 baseline. Through a concerted effort to curtail operational emissions and actively engage in carbon offsetting measures, IPC is on track to achieve this ambitious target. Moreover, IPC recently announced its intention, in early 2023, to extend its commitment to maintain a net emissions intensity of 20 kg CO_2e/boe through 2027.

To ensure the highest level of quality assurance, IPC proactively engaged in voluntary third-party verification of our GHG scope 1 and scope 2 emissions accounting and reporting for the year 2022 in all our operating regions. The findings of this verification were meticulously integrated into our processes, and no material gaps were identified in our reporting for that year. Furthermore, in compliance with Canadian regulatory obligations, our GHG data for 2022 underwent external verification, encompassing 90% of IPC's total emissions. Additionally, IPC conducted an internal audit in 2022-2023 specifically focusing on emission reporting, forecasting, and carbon tax processes in Canada, thereby affirming the full compliance of these processes.

Net Emission Reduction Target *(kg CO_2e/boe)*



SUMMARY: IPC'S HOLISTIC APPROACH TO SUSTAINABILITY

At IPC, we understand the importance of integrating climate-related risks and opportunities into all aspects of our business plans. We are committed to reducing our GHG emissions and exploring new ways to enhance energy efficiency throughout our operations while maintaining economic viability. Additionally, we are dedicated to supporting pragmatic policies that encourage emission reductions in alignment with government mandates and societal expectations.

To complement this TCFD Report, we provide more information on our approach to sustainability, sustainability pillars, and the Company's mission, vision and values on our website. A more fulsome report, including an updated materiality assessment; specific ESG initiatives; 2022 ESG highlights and accompanying case studies; and our three year performance data tables are available within IPC's latest Sustainability Report on our website. We look forward to reporting on IPC's progress annually and continuing to prioritize the development of sustainable practices that promote long-term value for our stakeholders and the environment.

Reader Advisory

Forward-looking statements

This TCFD Report 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 Company'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 TCFD Report are expressly qualified by this cautionary statement. Forward-looking statements speak only as of the date of this TCFD Report, unless otherwise indicated. IPC does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws.

All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, forecasts, guidance, budgets, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "forecast", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "budget" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements include, but are not limited to, statements with respect to: IPC's 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 intention and ability to continue to implement our 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; IPC's ability to implement its GHG emissions and climate strategy and achieve emission reduction targets; and IPC's ability to reduce exposure to carbon pricing related costs. Statements relating to "reserves" and "contingent resources" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and that the reserves and resources can be profitably produced in the future. Ultimate recovery of reserves or resources is based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

The forward-looking statements are based on certain key expectations and assumptions made by IPC, including expectations and assumptions concerning: prevailing commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve and contingent resource volumes; operating costs; the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions; the benefits of acquisitions; the state of the economy and the exploration and production business in the jurisdictions in which IPC operates and globally; the availability and cost of financing, labour and services; and the ability to market oil and gas successfully.

Although IPC believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because IPC can give no assurances that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; climate change risks; reputational risks; reduced demand for oil and gas; 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; exchange rate and interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; the ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties, environmental and abandonment regulations. Readers are cautioned that the foregoing list of factors is not exhaustive.

Additional information on these and other factors that could affect IPC, or its operations or financial results, are included in the Company's unaudited interim condensed consolidated financial statements and management discussion and analysis (MD&A) for the six months ended June 30, 2023, the Company's Annual Information Form (AIF) for the year ended December 31, 2022 (See "Cautionary Statement Regarding Forward-Looking Information", "Reserves and Resources Advisory" and "Risk Factors") and other reports on file with applicable securities regulatory authorities, including previous financial reports, management's discussion and analysis and material change reports, which may be accessed through the SEDAR+ website (www.sedarplus.ca) or IPC's website (www.international-petroleum.com).

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Non-IFRS Measures

References are made in this TCFD Report 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 and reconciliation of each non-IFRS measure is presented in IPC's MD&A (See "Non-IFRS Measures"). Actual results may differ materially from forward-looking estimates and forecasts. See "Forward-Looking Statements" above.

Disclosure of Oil and Gas Information

This TCFD Report contains references to estimates of gross and net reserves and resources attributed to the Company's oil and gas assets.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in Canada (other than the assets acquired in the Cor4 acquisition) are effective as of December 31, 2022, and are included in reports prepared by Sproule Associates Limited (Sproule), an independent qualified reserves evaluator, in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities (NI 51-101) and the Canadian Oil and Gas Evaluation Handbook (the COGE Handbook) and using Sproule's December 31, 2022 price forecasts.

Reserve estimates and estimates of future net revenue in respect of IPC's oil and gas assets acquired in the Cor4 acquisition are effective as of December 31, 2022 and are included in the report prepared by GLJ Ltd. (GLJ), an independent qualified reserves auditor, in accordance with NI 51-101 and the COGE Handbook, and using Sproule's December 31, 2022, 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, 2022, 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, 2022 price forecasts.

The price forecasts used in the Sproule, GLJ and ERCE reports are contained in the AIF. These price forecasts are as at December 31, 2022 and may not be reflective of current and future forecast commodity prices.

The product types comprising the 2P reserves and contingent resources described in this TCFD Report are contained in the AIF. Light, medium and heavy crude oil reserves/resources disclosed in this TCFD Report include solution gas and other by-products.

2P reserves and contingent resources included in the reports prepared by Sproule, GLJ and ERCE in respect of IPC's oil and gas assets in Canada, France and Malaysia have been aggregated by IPC. Estimates of reserves, resources and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves, resources and future net revenue for all properties, due to aggregation. This TCFD Report contains estimates of the net present value of the future net revenue from IPC's reserves. The estimated values of future net revenue disclosed in this TCFD Report do not represent fair market value. There is no assurance that the forecast prices and cost assumptions used in the reserve evaluations will be attained and variances could be material. Net present values (NPV) referred to in this TCFD Report are after tax, discounted at 10% and based upon the forecast prices and other assumptions further described in the AIF.

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 thousand cubic feet (Mcf) per 1 barrel (bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Currency

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

Corporate Office
International Petroleum Corp
Suite 2000
885 West Georgia Street
Vancouver, BC
V6C 3E8, Canada
Tel: +1 604 689 7842

Operations Offices
International Petroleum SA
5 ch. de la Pallanterie
CH-1222 Vésenaz
Geneva, Switzerland
Tel: +41 22 595 1050

IPC Canada
Suite 900
215 9 Avenue SW
Calgary, Alberta
T2P 1K3, Canada
Tel: +1 403 215 8313

IPC Petroleum France
Centre Pétrolier Maclaunay
51210 Montmirail
France
Tel: +33 3 26 81 74 00

IPC Malaysia
Menara HLA, 3, Jalan Kia Peng
Kuala Lumpur
50450 Malaysia
Tel: +60 3 2172 8000

Email: info@international-petroleum.com
Web: international-petroleum.com