

## International Petroleum Corporation – Corporate Updates

International Petroleum Corp. (IPC) (TSX, Nasdaq First North: IPCO) is pleased to provide corporate updates on the previously announced acquisition in Canada and on activities in Malaysia.

### Canada

In September 2017, IPC announced the proposed transformational acquisition to acquire the Suffield and Alderson oil and gas assets in Alberta, Canada from Cenovus Energy Inc. IPC is now in the final stages of preparing for completion of the transaction, with all approvals received and completion expected to occur on January 5, 2018.

In connection with the completion, IPC is finalizing the previously described acquisition financing, with the increase of IPC's existing reserve-based lending facility of USD 100 million to USD 200 million and with new acquisition credit facilities to be reduced from the previously announced CAD 325 million to CAD 310 million given IPC's latest forecast cash flow generation.

### Malaysia

IPC is pleased to announce that drilling of the first of two planned infill wells has commenced on the Bertam field, offshore Malaysia. These two wells are targeting gross best estimate contingent resources of 2.3 million barrels of oil equivalent. This two well campaign is expected to be completed in February 2018.

IPC, through its wholly-owned subsidiary IPC Malaysia BV, is the operator of the Bertam field with a 75 percent working interest. Petronas Carigali Sdn Bhd holds the remaining 25 percent.

IPC is also pleased to report that a further extension has been granted for the Malaysian flagging of the Bertam FPSO until March 2018, as discussions progress to conclude a permanent solution.

*International Petroleum Corp. (IPC) is a new international oil and gas exploration and production company with a high quality portfolio of assets located in Europe and South East Asia, providing a solid foundation for organic and inorganic growth. IPC has also previously announced the proposed transformational acquisition of oil and gas assets in Canada, which transaction remains subject to final regulatory approval. IPC is a member of the Lundin Group of Companies. IPC's shares are listed on the Toronto Stock Exchange (TSX) and the Nasdaq First North Exchange (Stockholm) under the symbol "IPCO". Pareto Securities AB is the Corporation's Certified Adviser on Nasdaq First North.*

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## Forward-Looking Statements

This press release may contain statements and information which constitute "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. Forward-looking statements 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, 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" 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 the timing and ability of IPC to complete the acquisition of the Suffield/Alderson assets and to raise sufficient debt financing the finance such acquisition, the timing and ability of IPC to complete the infill drilling in Malaysia, expected returns on investment, payback time and break-even oil price, estimates of reserves, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources is based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

The estimates of best estimate contingent resources contained in this press release are based on an evaluation of contingent resources that was prepared by a qualified reserves evaluator, as defined in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities of the Canadian Securities Administrators (NI 51-101). The reserves evaluator is not independent of IPC for the purposes of NI 51-101.

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

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

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf per 1 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.