

International Petroleum Corporation announces completion of previously announced Canadian acquisition

International Petroleum Corp. (IPC) (TSX, Nasdaq First North: IPCO) is pleased to announce that it has completed the previously announced transformational acquisition of the stable, low-decline producing Suffield and Alderson oil and gas assets in Alberta, Canada.

The Suffield and Alderson conventional oil and natural gas assets are held over a large, contiguous land position of 800,000 net acres of shallow natural gas rights and 100,000 net acres of oil rights in south-east Alberta, Canada. Production and reserves from the assets come from conventional shallow oil and gas wells.

These stable, low-decline producing fields have low production costs and significant future development potential from a combination of low risk development drilling, well stimulation and enhanced oil recovery opportunities. IPC is operator of the Suffield and Alderson assets, with almost 100% working interest.

The purchase consideration paid by IPC at completion was approximately CAD 449 million, after taking into account closing adjustments. This consideration amount includes the deposit of CAD 40 million made by IPC in September 2017. A further CAD 12 million will be payable at end June 2018, and the purchase price may be adjusted by certain additional contingent consideration.⁽¹⁾

IPC completed the previously described acquisition financing, increasing IPC's existing reserve-based lending facility to USD 200 million and securing new acquisition credit facilities of CAD 310 million.

Notes:

- (1) Certain contingent purchase price payments may become payable based on increased average oil and natural gas prices during 2018 and 2019. Payments would be made for each month in which the average daily price of West Texas Intermediate (WTI) is above USD 55 per barrel (bbl) or natural gas prices at the Henry Hub are above USD 3.50 per million British thermal units (MMBtu). These payments are capped for each commodity, with a maximum combined payment of CAD 36 million in aggregate.

International Petroleum Corp. (IPC) is an international oil and gas exploration and production company with a high quality portfolio of assets located in Canada, Europe and South East Asia, providing a solid foundation for organic and inorganic growth. 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.

For further information, please contact:

Rebecca Gordon
VP Corporate Planning and Investor Relations
rebecca.gordon@international-petroleum.com
Tel: +41 22 595 10 50

or

Robert Eriksson
Media Manager
reriksson@rive6.ch
Tel: +46 701 11 26 15

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 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.

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.