

International Petroleum Corporation Announces First Quarter 2025 Financial and Operational Results

International Petroleum Corporation (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 months ended March 31, 2025.

William Lundin, IPC's President and Chief Executive Officer, comments: "We are pleased to announce another strong quarter of operational and financial performance for Q1 2025. IPC achieved an average net daily production during the quarter of 44,400 barrels of oil equivalent per day (boepd). Our results during the quarter were in line with the 2025 guidance announced at our Capital Markets Day in February as we continue to execute according to plan across our operations in Canada, Malaysia and France. Notably, the transformational Blackrod Phase 1 development project in Canada has progressed substantially during the quarter and forecast first oil is maintained with the original project sanction guidance for late 2026. We also continued with purchases of IPC common shares under the normal course issuer bid, having completed approximately 60% of the current 2024/2025 program between December 2024 to March 2025."

Q1 2025 Business Highlights

- Average net production of approximately 44,400 boepd for the first quarter of 2025, within the guidance range for the period (52% heavy crude oil, 15% light and medium crude oil and 33% natural gas).⁽¹⁾
- Continued progressing Phase 1 development activity as well as future phase resource maturation works at the Blackrod asset.
- At Onion Lake Thermal, all four planned production infill wells and the final Pad L well pair have been successfully drilled.
- 3.9 million IPC common shares purchased and cancelled during Q1 2025 and continuing with target to complete the full 2024/2025 NCIB this year.

Q1 2025 Financial Highlights

- Operating costs per boe of USD 17.3 for Q1 2025, in line with guidance.⁽³⁾
- Operating cash flow (OCF) generation of MUSD 75 for Q1 2025, in line with guidance.⁽³⁾
- Capital and decommissioning expenditures of MUSD 99 for Q1 2025, in line with guidance.
- Free cash flow (FCF) generation for Q1 2025 amounted to MUSD -43 (MUSD 37 pre-Blackrod capital expenditure).⁽³⁾
- Gross cash of MUSD 140 and net debt of MUSD 314 as at March 31, 2025.⁽³⁾
- Net result of MUSD 16 for Q1 2025.

Reserves and Resources

- Total 2P reserves as at December 31, 2024 of 493 MMboe, with a reserve life index (RLI) of 31 years.⁽¹⁾⁽²⁾
- Contingent resources (best estimate, unrisked) as at December 31, 2024 of 1,107 MMboe.⁽¹⁾⁽²⁾
- 2P reserves net asset value (NAV) as at December 31, 2024 of MUSD 3,083 (10% discount rate).⁽¹⁾⁽²⁾

2025 Annual Guidance

- Full year 2025 average net production guidance range forecast maintained at 43,000 to 45,000 boepd.⁽¹⁾
- Full year 2025 operating costs guidance range forecast maintained at USD 18 to 19 per boe.⁽³⁾
- Full year 2025 OCF revised guidance estimated at between MUSD 240 and 270 (assuming Brent USD 60 to 75 per barrel for the remainder of 2025) from previous guidance of between MUSD 210 and 280 (assuming Brent USD 65 to 85 per barrel).⁽³⁾⁽⁴⁾
- Full year 2025 capital and decommissioning expenditures guidance forecast maintained at MUSD 320.
- Full year 2025 FCF revised guidance estimated at between MUSD -135 and -110 (assuming Brent USD 60 to 75 per barrel for the remainder of 2025) from previous guidance of between MUSD -150 and -80

(assuming Brent USD 65 to 85 per barrel), after taking into account MUSD 230 of forecast full year 2025 capital expenditures relating to the Blackrod asset.⁽³⁾⁽⁴⁾

| USD Thousands | Three months ended March 31 | |
|------------------------------------|-----------------------------|----------|
| | 2025 | 2024 |
| Revenue | 178,492 | 206,419 |
| Gross profit | 44,149 | 55,184 |
| Net result | 16,231 | 33,719 |
| Operating cash flow ⁽³⁾ | 74,790 | 89,301 |
| Free cash flow ⁽³⁾ | (43,172) | (43,311) |
| EBITDA ⁽³⁾ | 70,946 | 87,020 |
| Net cash/(debt) ⁽³⁾ | (314,255) | (60,572) |

During the first quarter of 2025, oil prices were relatively stable, with Brent prices averaging just below USD 76 per barrel. Following the quarter, commodity prices pulled back with spot Brent rates falling to USD 60 per barrel in April 2025. The physical crude market remained tight throughout the first quarter, prompting OPEC and the OPEC+ group to increase supply ahead of expectations. The timing of the supply increases coincided with the United States proposing harsh tariffs to countries deemed in a trade surplus of US goods. These two events have impacted future crude supply and demand outlooks, in turn weighing on spot and future oil benchmark prices. Despite the poor market sentiment, global inventories remain below the 5-year average, high geopolitical tensions persist, non-OPEC 2025 oil production (namely, in the US) is unlikely to grow at current prices, and US Federal Reserve Bank rate cuts are likely to occur in the near future. IPC prudently supplemented downside protection measures at the beginning of the first quarter of 2025 through financial swap hedging arrangements which in total represent nearly 40% of our forecast 2025 oil production at around USD 76 and USD 71 per barrel for Dated Brent and West Texas Intermediate (WTI), respectively, for the remainder of 2025.

In Canada, WTI to Western Canadian Select (WCS) crude price differentials during the first quarter of 2025 averaged just under USD 13 per barrel, with spot differentials decreasing to around USD 9 per barrel in April 2025. The Western Canadian Sedimentary Basin (WCSB) petroleum producers have greatly benefited from the TMX pipeline expansion with differentials tightening to levels not seen since 2020. There are currently no tariffs on Canadian crude exports to the United States, which remain covered by the US Mexico Canada free trade agreement. IPC has hedged the WTI/WCS differential for approximately 50% of our forecast 2025 Canadian oil production at USD 14 per barrel for 2025.

Natural gas markets in Canada for the first quarter of 2025 remained weak, given the softer than average winter weather conditions and high natural gas storage levels. The average AECO gas price was CAD 2.1 per Mcf for the first quarter of 2025. The forward strip implies improved pricing for Canadian gas benchmark prices, driven by the pending startup of the West Coast LNG Canada project later this year. Approximately 50% of our net long exposure is hedged at CAD 2.4 per Mcf to end October 2025, dropping to around 15% for November and December at CAD 2.6 per mcf.

First Quarter 2025 Highlights and Full Year 2025 Guidance

During the first quarter of 2025, our portfolio delivered average net production of 44,400 boepd, in line with guidance. Operational performance from our producing assets was strong to start the year as high facility and well uptimes were achieved. Drilling activity commenced in the first quarter of 2025 at Onion Lake Thermal, which aims to sustain production levels at the asset for 2025. In Malaysia, drilling and well maintenance works are planned to start in the second quarter of 2025, in line with plan. We maintain the full year 2025 average net production guidance range of 43,000 to 45,000 boepd.⁽¹⁾

Our operating costs per boe for the first quarter of 2025 was USD 17.3, in line with guidance. Full year 2025 operating expenditure guidance of USD 18.0 to 19.0 per boe remains unchanged.⁽³⁾

Operating cash flow (OCF) generation for the first quarter of 2025 was MUSD 75. Full year 2025 OCF guidance is tightened to MUSD 240 to 270 (assuming Brent USD 60 to 75 per barrel for the remainder of 2025).⁽³⁾⁽⁴⁾

Capital and decommissioning expenditure for the first quarter of 2025 was MUSD 99 in line with guidance. Full year 2025 capital and decommissioning expenditure of MUSD 320 is maintained.

Free cash flow (FCF) generation was MUSD -43 (MUSD 37 pre-Blackrod capital expenditure) during the first quarter of 2025. Full year 2025 FCF guidance is tightened to MUSD -135 to -110 (assuming Brent USD 60 to 75 per barrel for the remainder of 2025) after taking into account MUSD 320 of forecast full year 2025 capital expenditures (including MUSD 230 relating to the Blackrod asset).⁽³⁾⁽⁴⁾

As at March 31, 2025, IPC's net debt position was MUSD 314, from a net debt position of MUSD 209 as at December 31, 2024, mainly driven by the funding of forecast capital expenditures and the continuing share repurchase program (NCIB). Gross cash on the balance sheet as at March 31, 2025 amounts to MUSD 140 and IPC has access to an undrawn Canadian credit facility of greater than 130 MUSD. The access to liquidity supports IPC to follow through on its key strategic objectives of enhancing stakeholder value through organic growth, stakeholder returns, and pursuing value adding M&A.⁽³⁾

Blackrod

During the first quarter of 2025, IPC continued to advance the Phase 1 development of the Blackrod asset. Growth capital expenditure to first oil is maintained at MUSD 850. First oil of the Phase 1 development is estimated to be in late 2026, with forecast net production of 30,000 boepd by 2028. IPC forecasts capital expenditure in 2025 at the Blackrod asset of MUSD 230, of which MUSD 77 was invested in the Phase 1 development project during Q1 2025. Since the transformational organic growth project was sanctioned in early 2023, MUSD 669, or approximately 80% of the total multi-year project capital budget, has been incurred.⁽¹⁾

Project activities for the multi-year Blackrod Phase 1 development have progressed according to plan. Engineering, procurement and fabrication is substantially complete with greater than 90% of all facility modules delivered to site. Equipment installation, piping inter-connects, electrical and instrumentation are the key areas of focus for construction at the Central Processing Facility (CPF) and well pad facilities.

Resource maturation drilling for future phase expansion considerations took place during Q1 2025. Commercial operational readiness planning has ramped up in line with our progressive turnover strategy to ensure a seamless transition from build to start-up. IPC intends to fund the remaining Blackrod capital expenditure with forecast cash flow generated by its operations, cash on hand and drawing under the existing Canadian credit facility if needed.⁽³⁾

Stakeholder Returns: Normal Course Issuer Bid

In Q4 2024, IPC announced the renewal of the NCIB, with the ability to repurchase up to approximately 7.5 million common shares over the period of December 5, 2024 to December 4, 2025. Under the 2024/2025 NCIB, IPC repurchased and cancelled approximately 0.8 million common shares in December 2024, 3.7 million common shares during Q1 2025, and a further 0.2 million common shares purchased under other exemptions in Canada. The average price of common shares purchased under the 2024/2025 NCIB during Q1 2025 was SEK 146 / CAD 20 per share.

As at March 31, 2025, IPC had a total of 115,176,514 common shares issued and outstanding and IPC held no common shares in treasury. As at April 30, 2025, IPC had a total of 114,248,119 common shares issued and outstanding and IPC held no common shares in treasury.

Notwithstanding the final major capital investment year at Blackrod in 2025, IPC had purchased and cancelled 73% of the maximum 7.5 million common shares allowed under the 2024/2025 NCIB by the end of April 2025 and intends to purchase and cancel the remaining 2.0 million common shares under that program in 2025. This

would result in the cancellation of 6.2% of common shares outstanding as at the beginning of December 2024. IPC continues to believe that reducing the number of shares outstanding in combination with investing in long-life production growth at the Blackrod project will prove to be a winning formula for our stakeholders.

Environmental, Social and Governance (ESG) Performance

During the first quarter of 2025, 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. IPC has also made a commitment to maintain 2025 levels of 20 kg CO₂/boe through to the end of 2028.⁽⁵⁾

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, 2024 (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 net present value (NPV), are described in the AIF. NAV is calculated as NPV less net debt of USD 209 million as at December 31, 2024.
- (3) Non-IFRS measures, see "Non-IFRS Measures" below and in the MD&A.
- (4) OCF and FCF forecasts at Brent USD 60 and 70 per barrel assume Brent to WTI differential of USD 3 and 5 per barrel, respectively, and WTI to WCS differential of USD 10 and 15 per barrel, respectively, for the remainder of 2025. OCF and FCF forecasts assume gas price on average of CAD 2.25 per Mcf for the remainder of 2025.
- (5) 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 CEST on May 6, 2025. The Corporation's unaudited interim condensed consolidated financial statements (Financial Statements) and management's discussion and analysis (MD&A) for the three months ended March 31, 2025 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:

- 2025 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 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 its 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 oil prices and net present values;
- Current and future production performance, operations and development potential of the Onion Lake Thermal, Suffield, Brooks, Ferguson and Mooney operations, including the timing and success of future oil and gas drilling and optimization programs;
- 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;
- 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 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, tariffs, 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.

The forward-looking statements are based on certain key expectations and assumptions made by IPC, including expectations and assumptions concerning: the potential impact of tariffs implemented in 2025 by the U.S. and Canadian governments and that other than the tariffs that have been implemented, neither the U.S. nor Canada (i) increases the rate or scope of such tariffs, or imposes new tariffs, on the import of goods from one country to the other, including on oil and natural gas, and/or (ii) imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas; 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; our ability to maintain our existing credit ratings; our ability to achieve our performance targets; 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 and that we will be able to implement our standards, controls, procedures and policies in respect of any acquisitions and realize the expected synergies on the anticipated timeline or at all; 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; our intention to complete share repurchases under our normal course issuer bid program, including the funding of such share repurchases, existing and future market conditions, including with respect to the price of our common shares, and compliance with respect to applicable limitations under securities laws and regulations and stock exchange policies; and the ability to market crude oil, natural gas and natural gas liquids 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: 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; political or economic developments, including, without limitation, the risk that (i) one or both of the U.S. and Canadian governments increases the rate or scope of tariffs implemented in 2025, or imposes new tariffs on the import of goods from one country to the other, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed by the U.S. on other countries and responses thereto could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Corporation; 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 MD&A (See "Risk Factors", "Cautionary Statement Regarding Forward-Looking Information" and "Reserves and Resources Advisory"), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2024, (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 production and FCF generation are based on IPC's current business plans over the periods of 2025 to 2029 and 2030 to 2034, less net debt of USD 209 million as at December 31, 2024, with assumptions based on the reports of IPC's independent reserves evaluators, and including certain corporate adjustments relating to estimated general and administration costs and hedging, and excluding shareholder distributions and financing costs. Assumptions include average net production of approximately 57 Mboepd over the period of 2025 to 2029, average net production of approximately 63 Mboepd over the period of 2030 to 2034, average Brent oil prices of USD 75 to 95 per bbl 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 AIF. 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:

| USD Thousands | Three months ended March 31 | |
|---|-----------------------------|-----------|
| | 2025 | 2024 |
| Revenue | 178,492 | 206,419 |
| Production costs and net sales of diluent to third party ¹ | (103,188) | (115,745) |
| Current tax | (514) | (1,373) |
| Operating cash flow | 74,790 | 89,301 |

¹ Includes net sales of diluent to third party amounting to USD 191 thousand for the first quarter of 2025.

Free cash flow

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

| USD Thousands | Three months ended March 31 | |
|--|-----------------------------|-----------------|
| | 2025 | 2024 |
| Operating cash flow - see above | 74,790 | 89,301 |
| Capital expenditures | (98,886) | (125,256) |
| Abandonment and farm-in expenditures ¹ | (321) | (122) |
| General, administration and depreciation expenses before depreciation ² | (4,358) | (3,653) |
| Cash financial items ³ | (14,397) | (3,581) |
| Free cash flow | (43,172) | (43,311) |

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

EBITDA

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

| USD Thousands | Three months ended March 31 | |
|---|-----------------------------|---------------|
| | 2025 | 2024 |
| Net result | 16,231 | 33,719 |
| Net financial items | 18,855 | 9,770 |
| Income tax | 4,679 | 7,746 |
| Depletion and decommissioning costs | 29,016 | 33,153 |
| Depreciation of other tangible fixed assets | 1,917 | 2,262 |
| Exploration and business development costs | 31 | 75 |
| Sale of assets ¹ | (94) | - |
| Depreciation included in general, administration and depreciation expenses ² | 311 | 295 |
| EBITDA | 70,946 | 87,020 |

¹ Sale of assets is included under "Other income/(expense)" but not specifically disclosed in the Financial Statements

² Item is not shown in the Financial Statements

Operating costs

The following table sets out how operating costs is calculated:

| USD Thousands | Three months ended March 31 | |
|------------------------------|-----------------------------|---------------|
| | 2025 | 2024 |
| Production costs | 103,379 | 115,745 |
| Cost of blending | (37,726) | (45,206) |
| Change in inventory position | 3,500 | 5,277 |
| Operating costs | 69,153 | 75,816 |

Net cash/(debt)

The following table sets out how net cash / (debt) is calculated from figures shown in the Financial Statements:

| USD Thousands | March 31, 2025 | December 31, 2024 |
|---------------------------|------------------|-------------------|
| Bank loans | (4,449) | (5,121) |
| Bonds ¹ | (450,000) | (450,000) |
| Cash and cash equivalents | 140,194 | 246,593 |
| Net cash/(debt) | (314,255) | (208,528) |

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, 2024, 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, 2024 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, 2024, 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, 2024 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, 2024 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 493 MMboe as at December 31, 2024 by the mid-point of the 2025 CMD production guidance of 43,000 to 45,000 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 (Mboepd) |
|---------------------------|----------------------------|---------------------------------------|---------------------------------------|-------------------|
| Three months ended | | | | |
| March 31, 2025 | 23.2 | 6.5 | 88.2 MMcf (14.7 Mboe) | 44.4 |
| March 31, 2024 | 24.9 | 7.9 | 96.0 MMcf (16.0 Mboe) | 48.8 |
| Year ended | | | | |
| December 31, 2024 | 23.9 | 7.7 | 95.1 MMcf (15.8 Mboe) | 47.4 |

This press release also makes reference to IPC's forecast total average daily production of 43,000 to 45,000 boepd for 2025. IPC estimates that approximately 52% of that production will be comprised of heavy oil, approximately 15% will be comprised of light and medium crude oil and approximately 33% 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.