

MATERIAL CHANGE REPORT

1. Name and Address of Company:

International Petroleum Corporation ("IPC" or the "Corporation")
885 West Georgia Street, Suite 2000
Vancouver, British Columbia V6C 3E8

2. Date of Material Change:

February 9, 2021

3. News Release:

On February 9, 2021, a news release was disseminated through the facilities of GlobeNewswire and subsequently filed under IPC's corporate profile on SEDAR at www.sedar.com.

4. Summary of Material Change:

On February 9, 2021, in addition to releasing its financial and operating results and related management's discussion and analysis for the year ended December 31, 2020 (MD&A), IPC announced its 2021 capital expenditure budget of USD 37 million and its 2021 production guidance of between 41,000 and 43,000 barrels of oil equivalent (boe) per day (boepd). IPC also announced that 2020 year-end 2P reserves and best estimate contingent resources (unrisked) are estimated at, respectively, 272 million boe (MMboe) and 1,102 MMboe.

IPC also stated that further details will be provided at IPC's Capital Markets Day presentation to be held on February 9, 2021. A copy of the Capital Markets Day presentation will be available on IPC's website at www.international-petroleum.com.

The news release and Capital Markets Day presentation refer to the Corporation's reserve estimates, contingent resource estimates and estimates of future net revenue as further described in the attached "Disclosure of Year End 2020 Reserves and Resources Data and Other Oil and Gas Information" and news release dated February 9, 2021.

5. Full Description of Material Change:

5.1 Full Description of Material Change

Please see attached "Disclosure of Year End 2020 Reserves and Resources Data and Other Oil and Gas Information" and news release dated February 9, 2021.

5.2 Disclosure for Restructuring Transactions:

Not applicable.

6. Reliance on subsection 7.1(2) of National Instrument 51-102:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report is:

Jeffrey Fountain
General Counsel and Corporate Secretary
+41 22 595 1050
Jeffrey.Fountain@international-petroleum.com

9. Date of Report:

February 9, 2021

Disclosure of Year End 2020 Reserves and Resources Data and Other Oil and Gas Information

Part I – Date of Statement

February 9, 2021

International Petroleum Corporation ("IPC" or the "Corporation") has oil and gas reserves and resources in Canada, Malaysia and France.

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, 2020, 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, 2020, price forecasts. The reserves report by Sproule is dated February 1, 2021 and the contingent resource report by Sproule is dated February 5, 2021.

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, 2020, 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, 2020, price forecasts. The report by ERCE is dated January 27, 2021.

The reserve estimates, contingent resource estimates and estimate of future net revenue, and related information, in respect of IPC's oil and gas assets in Canada, France and Malaysia, based on the above-mentioned Sproule and ERCE reports, are contained in Parts I to VI and Appendix A of this document.

The price forecasts used in the reports prepared by Sproule and ERCE are available on the website of Sproule (www.sproule.com), and are provided in Part III – Pricing Assumptions.

2P reserves and contingent resources included in the reports prepared by Sproule and ERCE in respect of IPC's oil and gas assets in Canada, France and Malaysia have been aggregated in this document by IPC. Estimates of reserves and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves and future net revenue for all properties, due to aggregation. This document 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 document 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.

The reserves and resources information and data provided in this document presents only a portion of the disclosure required under NI 51-101. All of the required information will be contained in the Corporation's Annual Information Form for the year ended December 31, 2020, which will be filed on SEDAR (accessible at www.sedar.com) on or before April 1, 2021.

Part II - Disclosure of Reserves Data

The tables below set out the reserves volumes and net present values by country. IPC's working interest volumes are reported herein as the gross reserves, the reserves adjusted for royalties or similar are reported as net reserves.

Item 2.1.1a – Breakdown of Proved Reserves (Forecast Case)
Breakdown of Reserves by Product Type

	Bitumen		Heavy Crude Oil		Light & Medium Oil		Natural Gas Liquids		Conventional Natural Gas (Non-Associated & Associated)		Oil Equivalent	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	Bscf	Bscf	MMboe	MMboe
Proved Developed Producing												
Canada	-	-	36.8	33.3	4.5	4.2	0.0	0.0	335.7	318.1	97.3	90.5
France	-	-	-	-	5.9	5.1	-	-	-	-	5.9	5.1
Malaysia	-	-	-	-	1.9	1.6	-	-	-	-	1.9	1.6
IPC Total	-	-	36.8	33.3	12.3	11.0	0.0	0.0	335.7	318.1	105.1	97.3
Proved Developed Non-Producing												
Canada	-	-	9.5	7.9	0.4	0.4	0.0	0.0	16.5	15.7	12.7	10.9
France	-	-	-	-	0.1	0.1	-	-	-	-	0.1	0.1
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	-	-	9.5	7.9	0.5	0.5	0.0	0.0	16.5	15.7	12.8	11.0
Proved Undeveloped												
Canada	-	-	66.9	55.1	5.3	4.8	0.0	0.0	0.3	0.3	72.2	59.9
France	-	-	-	-	0.6	0.5	-	-	-	-	0.6	0.5
Malaysia	-	-	-	-	1.6	1.4	-	-	-	-	1.6	1.4
IPC Total	-	-	66.9	55.1	7.6	6.7	0.0	0.0	0.3	0.3	74.5	61.8
Total Proved (1P)												
Canada	-	-	113.2	96.3	10.2	9.4	0.0	0.0	352.5	334.0	182.2	161.4
France	-	-	-	-	6.6	5.7	-	-	-	-	6.6	5.7
Malaysia	-	-	-	-	3.5	3.1	-	-	-	-	3.5	3.1
IPC Total	-	-	113.2	96.3	20.4	18.1	0.0	0.0	352.5	334.0	192.4	170.1

Item 2.1.1b – Breakdown of Proved and Probable Reserves (Forecast Case)
Breakdown of Reserves by Product Type

	Bitumen		Heavy Crude Oil		Light & Medium Oil		Natural Gas Liquids		Conventional Natural Gas (Non-Associated & Associated)		Oil Equivalent	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	MMbbl	Bscf	Bscf	MMboe	MMboe
Proved plus Probable Developed Producing												
Canada	-	-	48.9	43.4	5.6	5.2	0.0	0.0	406.9	385.6	122.4	112.9
France	-	-	-	-	9.2	7.9	-	-	-	-	9.2	7.9
Malaysia	-	-	-	-	3.6	3.1	-	-	-	-	3.6	3.1
IPC Total	-	-	48.9	43.4	18.4	16.2	0.0	0.0	406.9	385.6	135.2	123.9
Proved plus Probable Developed Non-Producing												
Canada	-	-	20.5	16.9	0.4	0.3	0.0	0.0	45.0	42.8	28.3	24.4
France	-	-	-	-	0.2	0.2	-	-	-	-	0.2	0.2
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	-	-	20.5	16.9	0.6	0.5	0.0	0.0	45.0	42.8	28.6	24.6
Proved plus Probable Undeveloped												
Canada	-	-	97.3	78.1	6.6	5.9	0.0	0.0	0.5	0.5	104.0	84.0
France	-	-	-	-	2.0	1.7	-	-	-	-	2.0	1.7
Malaysia	-	-	-	-	1.8	1.6	-	-	-	-	1.8	1.6
IPC Total	-	-	97.3	78.1	10.4	9.1	0.0	0.0	0.5	0.5	107.8	87.3
Total Proved plus Probable (2P)												
Canada	-	-	166.7	138.4	12.5	11.4	0.1	0.0	452.4	428.9	254.7	221.4
France	-	-	-	-	11.4	9.8	-	-	-	-	11.4	9.8
Malaysia	-	-	-	-	5.4	4.7	-	-	-	-	5.4	4.7
IPC Total	-	-	166.6	138.4	29.4	25.8	0.1	0.0	452.4	428.9	271.5	235.8
Total Probable (PB)												
Canada	-	-	53.5	42.1	2.3	2.0	0.0	0.0	99.9	94.8	72.4	60.0
France	-	-	-	-	4.8	4.1	-	-	-	-	4.8	4.1
Malaysia	-	-	-	-	1.9	1.6	-	-	-	-	1.9	1.6
IPC Total	-	-	53.5	42.1	9.0	7.7	0.0	0.0	99.9	94.8	79.1	65.7

Item 2.1.2a – Net Present Value of Future Net Revenue (Forecast Case), Proved Reserves
Breakdown of NPV by country and in aggregate MM U.S.\$

	Before Deducting Income Tax, Discounted at						After Deducting Income Tax, Discounted at						Unit Value Before Income Tax, discounted at 10%
	0%	5%	8%	10%	15%	20%	0%	5%	8%	10%	15%	20%	
Proved Developed Producing													
Canada	822.5	811.1	752.2	711.2	618.3	543.3	806.1	802.4	746.0	706.3	615.5	541.6	7.9
France	19.3	30.6	33.1	33.8	33.7	32.5	12.2	26.2	29.7	30.9	31.8	31.1	6.7
Malaysia	24.4	24.3	24.2	24.1	23.9	23.7	24	24.3	24.2	24.1	23.9	23.7	14.6
IPC Total	866.1	866.0	809.4	769.1	676.0	599.5	842.7	852.8	799.9	761.4	671.2	596.5	7.9
Proved Developed Non-Producing													
Canada	148.9	115.9	100.3	91.4	73.0	59.0	112.5	90.8	80.2	73.9	60.7	50.2	8.4
France	4.2	3.7	3.6	3.5	3.2	3.0	3.2	2.9	2.8	2.8	2.7	2.6	47.5
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	153.1	119.6	103.9	94.9	76.2	62.0	115.7	93.6	83.0	76.7	63.3	52.7	8.6
Proved Undeveloped													
Canada	892.3	419.2	265.6	195.7	88.7	35.0	657.9	302.8	186.1	133.1	52.7	13.0	3.3
France	-9.9	-7.4	-6.8	-6.6	-6.5	-6.6	-8.0	-6.0	-5.6	-5.6	-5.7	-6.0	-13.2
Malaysia	22.8	20.2	18.8	17.9	15.9	14.1	22.8	20.2	18.8	17.9	15.9	14.1	12.8
IPC Total	905.2	432.0	277.6	207.0	98.1	42.4	672.7	317.0	199.3	145.5	62.9	21.0	3.3
Total Proved													
Canada	1863.7	1346.2	1118.1	998.3	780.0	637.3	1576.5	1195.9	1012.3	913.4	728.9	604.8	6.2
France	13.6	27.0	29.9	20.7	30.5	28.8	7.4	23.1	26.9	28.2	28.8	27.7	5.4
Malaysia	47.2	44.5	43.0	42.0	39.8	37.8	47.2	44.5	43.0	42.0	39.8	37.8	13.8
IPC Total	1924.4	1417.6	1190.9	1070.9	850.2	703.8	1631.1	1263.5	1082.2	983.6	797.5	670.2	6.3

Item 2.1.2b – Net Present Value of Future Net Revenue (Forecast Case), Proved and Probable Reserves
Breakdown of NPV by country and in aggregate MM U.S.\$

	Before Deducting Income Tax, Discounted at						After Deducting Income Tax, Discounted at						Unit Value Before Income Tax, discounted at 10%
	0%	5%	8%	10%	15%	20%	0%	5%	8%	10%	15%	20%	
Proved plus Probable Developed Producing													
Canada	1226.9	1089.5	976.5	908.4	768.3	663.9	1121.0	1025.9	928.4	868.1	741.6	645.6	8.0
France	83.5	83.1	79.2	76.1	68.2	61	58.7	66.9	66.3	65	60.2	55.1	9.6
Malaysia	66.0	62.8	60.9	59.8	57.1	54.6	66	62.8	60.9	59.8	57.1	54.6	19.3
IPC Total	1376.4	1235.4	1116.7	1044.3	893.6	779.5	1245.7	1155.5	1055.7	992.8	858.9	755.3	8.4
Proved plus Probable Developed Non-Producing													
Canada	353.6	257.9	213.1	188.5	140.9	107.9	262.4	194.9	161.9	143.5	107.9	83.1	7.7
France	6.6	6.6	6.4	6.2	5.6	5.1	4.9	4.9	4.8	4.6	4.2	3.8	30.1
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-
IPC Total	360.3	264.5	219.5	194.6	146.5	113.0	267.3	199.9	166.7	148.1	112.2	87.0	7.9
Proved plus Probable Undeveloped													
Canada	1713.4	788.8	504.8	377.6	184.1	86.2	1252.3	568.8	356.8	261.8	118.0	45.8	4.5
France	9.1	11.5	9.7	8.1	4.4	1.5	5.0	8.9	7.7	6.4	3.2	0.6	4.9
Malaysia	55.3	47.3	43.2	40.7	35.2	30.6	55.3	47.3	43.2	40.7	35.2	30.6	25.9
IPC Total	1777.8	847.7	557.8	426.4	223.7	118.2	1312.7	625.0	407.7	309.0	156.4	77.0	4.9
Total Proved plus Probable (2P)													
Canada	3293.8	2136.3	1694.5	1474.4	1093.3	857.9	2635.8	1789.6	1447.1	1273.4	967.5	774.5	6.7
France	99.3	101.2	95.2	90.4	78.3	67.6	68.7	80.7	78.7	76.0	67.7	59.5	9.3
Malaysia	121.4	110.1	104.2	100.5	92.3	85.2	121.4	110.1	104.2	100.5	92.3	85.2	21.6
IPC Total	3514.5	2347.6	1894.0	1665.4	1263.9	1010.8	2825.8	1980.4	1630.0	1449.9	1127.5	919.3	7.1
Total Probable (PB)													
Canada	1430.2	790.1	576.4	476.2	313.3	220.7	1059.3	593.7	434.8	360.0	238.7	169.7	7.9
France	85.7	74.3	65.4	59.8	47.8	38.8	61.3	57.7	51.8	47.8	38.8	31.9	14.6
Malaysia	74.2	65.6	61.2	58.5	52.5	47.4	74.2	65.6	61.2	58.5	52.5	47.4	36.3
IPC Total	1590.1	930.0	703.0	594.4	413.6	306.9	1194.8	716.9	547.8	466.4	330.0	249.0	9.1

Item 2.1.3b – Elements of Future Net Revenue (Forecast Case)
Undiscounted

	Revenue MM U.S.\$	Royalties MM U.S.\$	Operating Costs MM U.S.\$	Development Costs MM U.S.\$	Abandonment Costs MM U.S.\$	Future Net Revenue Before Income Taxes MM U.S.\$	Income Taxes MM U.S.\$	Future Net Revenue After Income Taxes MM U.S.\$
Total Proved								
Canada	5867	734	2183	624	475	1864	287	1577
France	388	54	225	21	75	14	6	7
Malaysia	269	21	148	23	29	47	-	47
IPC Total	6525	809	2556	667	580	1924	293	1631
Total Proved plus Probable								
Canada	8703	1244	2938	692	536	3294	658	2636
France	708	101	402	21	85	99	31	69
Malaysia	397	33	189	23	30	121	-	121
IPC Total	9796	1377	3529	736	651	3515	689	2826

Part III – Pricing Assumptions

Forecast prices used in this document are sourced from the Sproule forecast as at December 31, 2020.

Item 3.2 – Forecast Prices Used in Estimates

	Brent (U.S.\$/bbl)	WTI Crude Oil (U.S.\$/bbl)	Edmonton Light Crude Oil (\$Cdn/bbl)	Western Canadian Select (\$Cdn/bbl)	Natural Gas AECO (\$Cdn/mmbtu)	Natural Gas Empress (\$Cdn/ mmbtu)	Capital Cost Inflation Rate (%/yr)	USD/CAD Exchange Rate (\$US/\$Cdn)
Historical								
2016	45.04	43.32	58.17	38.89	2.18	2.36	(9.7%)	0.76
2017	54.83	50.95	67.75	50.24	2.19	2.73	2.4%	0.77
2018	71.53	64.77	74.95	52.34	1.53	3.10	4.2%	0.77
2019	64.17	57.02	75.32	58.77	1.80	2.51	0.7%	0.75
2020	43.21	39.40	48.47	35.59	2.24	2.23	-5.0%	0.75
Forecast								
2021	48.00	46.00	60.55	43.51	2.86	3.45	0.0%	0.77
2022	50.00	48.00	63.20	46.10	2.78	3.44	1.0%	0.77
2023	55.00	53.00	69.82	52.60	2.69	3.43	2.0%	0.77
2024	56.10	54.06	71.21	53.65	2.75	3.50	2.0%	0.77
2025	57.22	55.14	72.64	54.72	2.80	3.57	2.0%	0.77
2026	58.37	56.24	74.09	55.82	2.86	3.64	2.0%	0.77
2027	59.53	57.37	75.57	56.93	2.91	3.72	2.0%	0.77
2028	60.72	58.52	77.08	58.07	2.97	3.79	2.0%	0.77
2029	61.94	59.69	78.63	59.23	3.03	3.87	2.0%	0.77
2030	63.18	60.88	80.20	60.42	3.09	3.94	2.0%	0.77
2031	64.44	62.10	81.80	61.63	3.15	4.02	2.0%	0.77
Thereafter	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	2.0%	0.80

International Currency Exchange Rate Assumptions

Rate	2021	2022	2023	2024	2025 on
USD/EUR	1.15	1.15	1.15	1.15	1.15
MYR/USD	4.20	4.20	4.20	4.20	4.20

Part IV – Reconciliation of Changes in Reserves (Working Interest)

	Malaysia Light & Medium Oil MMboe	France Light & Medium Oil MMboe	Canada Light & Medium Oil MMboe	Canada Heavy Oil MMboe	Canada Conventional Natural Gas MMboe	IPC Total Oil Equivalent MMboe
Proved Reserves						
Opening Balance Dec 31, 2019	5.8	9.0	0.0	108.0	64.9	187.7
Extensions and improved recovery	1.6	-	-	0.1	-	1.7
technical revisions	-2.2	-0.2	-	12.8	-0.3	10.1
Acquisitions	-	-	10.6	0.1	-	10.7
Dispositions	-	-	-	-	-	0
Economic factors	-	-1.2	-	-1.4	-	-2.6
Production	-1.6	-1.0	-0.4	-6.5	-5.9	-15.4
Closing Balance Dec 31, 2020	3.5	6.6	10.2	113.2	58.8	192.4
Probable Reserves						
Opening Balance Dec 31, 2019	1.8	8.5	0.0	71.3	16.8	98.4
Extensions and improved recovery	0.2	-	-	0.2	-	0.4
Technical revisions	-0.1	-4.8	-	-17.5	-0.2	-22.6
Acquisitions	-	-	2.3	-	-	2.3
Dispositions	-	-	-	-	-	0
Economic factors	-	1.1	-	-0.6	-	0.5
Production	-	-	-	-	-	0
Closing Balance Dec 31, 2020	1.9	4.8	2.3	53.4	16.7	79.1
Proved plus Probable Reserves						
Opening Balance Dec 31, 2019	7.6	17.6	0.0	179.3	81.7	286.2
Extensions and improved recovery	1.8	-	-	0.3	-	2.1
Technical revisions	-2.3	-5.0	-	-4.6	-0.4	-12.3
Acquisitions	-	-	12.9	0.1	-	13
Dispositions	-	-	-	-	-	0
Economic factors	-	-0.1	-	-1.9	-	-2
Production	-1.6	-1.0	-0.4	-6.5	-5.9	-15.4
Closing Balance Dec 31, 2020	5.4	11.4	12.5	166.6	75.4	271.5

Part V – Additional Information Relating to Reserves Data

Item 5.3 Future Development Costs MM U.S.\$

	2021	2022	2023	2024	2025	2026 on	Total for all years undiscounted	Total for all years discounted at 10% p.a.
Total Proved								
France	3.1	17.7	-	-	-	-	20.7	18.2
Malaysia	22.4	0.5	-	-	-	-	22.9	21.8
Canada	7.8	43.8	69.3	52.7	30.8	419.2	623.5	286.9
Total	33.3	61.9	69.3	52.7	30.8	419.2	667.2	326.9
Total Proved Plus Probable								
France	3.1	17.7	-	-	-	-	20.7	18.2
Malaysia	22.4	0.5	-	-	-	-	22.9	21.8
Canada	7.8	79.0	81.0	66.7	44.0	414.7	692.2	344.2
Total	33.3	96.2	81.0	66.7	44.0	414.7	735.8	384.2

IPC's development program will be funded by a combination of internally generated cash flows, access to existing and future credit facilities and possible equity financings. There is no assurance that the Group will allocate funds to develop the reserves as represented in this document. The Group may choose to delay or cancel discretionary development projects depending on economic factors, strategy and priorities. Equally, the Group may choose to accelerate activity should circumstances allow.

Cost of funding is not included in the future net revenue estimates. The cost of funding is not expected to make further development activity uneconomic.

Part VI – Other Oil and Gas Information

Item 6.8 – 2021 Forecast Saleable Production Estimates in Reserves Report

	Bitumen (Mbbbl/d)	Light & Medium Crude Oil (Mbbbl/d)	Heavy Crude Oil (Mboe/d)	Convent- ional Natural Gas (Mboe/d)	Natural Gas Liquids (Mboe/d)	Total (Mboe/d)
Total Proved (1P) Scenario						
France	-	2.4	-	-	-	2.4
Malaysia	-	3.1	-	-	-	3.1
Canada	-	1.1	15.9	14.9	-	32.0
Total	-	6.6	15.9	14.9	-	37.4
Total Proved plus Probable (2P) Scenario						
France	-	2.8	-	-	-	2.8
Malaysia	-	3.6	-	-	-	3.6
Canada	-	1.2	17.7	15.0	-	33.9
Total	-	7.5	17.7	15.0	-	40.2

APPENDIX A: CONTINGENT RESOURCES DATA

Working Interest Contingent Resources Unrisked

	Light Crude Oil & Medium Crude Oil			Heavy Crude Oil			Bitumen			Conventional Natural Gas			NGL			Total Oil Equivalent			Chance of Development	Economic Sub Class	Project Maturity	Project Evaluation	Working Interest
	1C	Mbbbl		1C	Mbbbl		1C	Mbbbl		1C	MMscf		1C	Mbbbl		1C	Mboe						
		2C	3C		2C	3C		2C	3C		2C	3C		2C	3C		2C	3C					
Malaysia																							
Bertam Field	813	933	1 030	-	-	-	-	-	-	-	-	-	-	-	-	813	933	1 030	50%	not determined	Development Unclarified	Conceptual	75%
France Paris Basin																							
Amaltheus	185	695	1 212	-	-	-	-	-	-	-	-	-	-	-	-	185	695	1 212	50%	not determined	Development Unclarified	Conceptual	100%
Courdemanges	420	1 648	2 719	-	-	-	-	-	-	-	-	-	-	-	-	420	1 648	2 719	50%	not determined	Development Unclarified	Conceptual	100%
Courdemanges Post 2040	7	43	195	-	-	-	-	-	-	-	-	-	-	-	-	7	43	195	45%	Economic	Development on Hold	Advanced	100%
Dommartin Lettree	411	934	1 251	-	-	-	-	-	-	-	-	-	-	-	-	411	934	1 251	50%	not determined	Development Unclarified	Conceptual	43.01%
Dommartin Lettree Post 2040	48	146	238	-	-	-	-	-	-	-	-	-	-	-	-	48	146	238	45%	Economic	Development on Hold	Advanced	100%
Genievre	8	99	267	-	-	-	-	-	-	-	-	-	-	-	-	8	99	267	50%	not determined	Development Unclarified	Conceptual	100%
Grandville	-	1 075	1 434	-	-	-	-	-	-	-	-	-	-	-	-	-	1 075	1 434	50%	not determined	Development Unclarified	Conceptual	100%
Grandville Post 2040	142	695	1 237	-	-	-	-	-	-	-	-	-	-	-	-	142	695	1 237	45%	Economic	Development on Hold	Advanced	100%
Hautefeuille	41	48	57	-	-	-	-	-	-	-	-	-	-	-	-	41	48	57	45%	Economic	Development on Hold	Advanced	100%
Merisier	677	2 687	4 199	-	-	-	-	-	-	-	-	-	-	-	-	677	2 687	4 199	50%	not determined	Development Unclarified	Conceptual	100%
Soudron	927	1 637	2 728	-	-	-	-	-	-	-	-	-	-	-	-	927	1 637	2 728	50%	not determined	Development Unclarified	Conceptual	100%
Soudron Post 2040	207	613	955	-	-	-	-	-	-	-	-	-	-	-	-	207	613	955	45%	Economic	Development on Hold	Advanced	100%
Vert La Gravelle	-	104	1 010	-	-	-	-	-	-	-	-	-	-	-	-	-	104	1 010	50%	not determined	Development Unclarified	Conceptual	100%
Vert La Gravelle Post 2040	419	631	767	-	-	-	-	-	-	-	-	-	-	-	-	419	631	767	45%	Economic	Development on Hold	Advanced	100%
Villeperdue	2 279	3 845	5 353	-	-	-	-	-	-	-	-	-	-	-	-	2 279	3 845	5 353	30%	not determined	Development on Hold	Conceptual	100%
Villeperdue Post 2040	1 207	2 290	3 150	-	-	-	-	-	-	-	-	-	-	-	-	1 207	2 290	3 150	45%	Economic	Development on Hold	Advanced	100%
Villeseneux	102	485	569	-	-	-	-	-	-	-	-	-	-	-	-	102	485	569	50%	not determined	Development Unclarified	Conceptual	100%
France Aquitaine Basin																							
Courbey	1 300	2 150	3 700	-	-	-	-	-	-	-	-	-	-	-	-	1 300	2 150	3 700	50%	not determined	Development Unclarified	Conceptual	50%
Courbey Post 2040	244	502	691	-	-	-	-	-	-	-	-	-	-	-	-	244	502	691	45%	Economic	Development on Hold	Advanced	50%
Canada South																							
Suffield Oil	-	-	-	2 533	3 500	4 468	-	-	-	258	355	448	2	2	3	2 578	3 561	4 545	70%	not determined	Development On Hold	Level II/III	100%
Ferguson	1 717	3 012	4 971	302	478	644	-	-	-	10 298	14 764	19 193	193	276	359	3 929	6 226	9 173	70%	Economic	Development Unclarified	Level III	100%
Suffield Gas	-	-	-	-	-	-	-	-	-	125 580	229 312	333 044	-	-	-	20 930	38 219	55 507	50%	not determined	Development On Hold	Level II	100%
Canada North																							
Blackrod - Phase I	-	-	-	-	-	-	159 177	177 514	196 385	-	-	-	-	-	-	159 177	177 514	196 385	94%	Economic	Development On Hold	Level III	100%
Blackrod - Phase II and III	-	-	-	-	-	-	723 242	809 481	895 721	-	-	-	-	-	-	723 242	809 481	895 721	77%	Economic	Development On Hold	Level II/III	100%
Mooney	-	-	-	13 795	19 572	25 601	-	-	-	-	-	-	-	-	-	13 795	19 572	25 601	71%	Economic	Development On Hold	Level III	100%
Onion Lake Thermal	-	-	-	16 990	22 868	29 848	-	-	-	-	-	-	-	-	-	16 990	22 868	29 848	85%	Economic	Development On Hold	Level III	100%
Onion Lake Primary	-	-	-	2 375	2 900	3 580	-	-	-	-	-	-	-	-	-	2 375	2 900	3 580	90%	Economic	Development On Hold	Level III	100%
John Lake	-	-	-	585	720	945	-	-	-	-	-	-	-	-	-	585	720	945	70%	Economic	Development On Hold	Level III	100%

Working Interest Contingent Resource Development Unclarified Status

	Light & Medium Oil Mbbbl			Heavy Crude Oil Mbbbl			Bitumen Mbbbl			Conventional Natural Gas Bscf			NGL Mbbbl			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Subtotal by Country																		
Unrisked																		
Malaysia	813	933	1 030	-	-	-	-	-	-	-	-	-	-	-	-	813	933	1 030
France	4 030	11 513	19 090	-	-	-	-	-	-	-	-	-	-	-	-	4 030	11 513	19 090
Canada	1 717	3 012	4 971	302	478	644	-	-	-	10 298	14 764	19 193	-	-	-	3 929	6 226	9 173
Total Unrisked	6 560	15 459	25 091	302	478	644	-	-	-	10 298	14 764	19 193	-	-	-	8 771	18 673	29 293
Subtotal by Country																		
Risky by Chance of Development																		
Malaysia	406	467	515	-	-	-	-	-	-	-	-	-	-	-	-	406	467	515
France	2 015	5 757	9 545	-	-	-	-	-	-	-	-	-	-	-	-	2 015	5 757	9 545
Canada	1 202	2 108	3 480	211	334	451	-	-	-	7 209	10 335	13 435	-	-	-	2 750	4 358	6 421
Total Risked	3 623	8 332	13 540	211	334	451	-	-	-	7 209	10 335	13 435	-	-	-	5 171	10 582	16 481

Working Interest Contingent Resource Development On Hold Status

	Light & Medium Oil Mbbbl			Heavy Mbbbl			Bitumen Mbbbl			Conventional Bscf			NGL Mbbbl			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Subtotal by Country																		
Unrisked																		
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France	4 594	8 813	12 645	-	-	-	-	-	-	-	-	-	-	-	-	4 350	8 312	11 953
Canada	-	-	-	36 279	49 560	64 442	882 419	986 995	1 092 106	125 838	229 667	333 492	-	-	-	939 672	1 074 836	1 212 132
Total Unrisked	4 594	8 813	12 645	36 279	49 560	64 442	882 419	986 995	1 092 106	125 838	229 667	333 492	-	-	-	944 022	1 083 147	1 224 086
Subtotal by Country																		
Risky by Chance of Development																		
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France	1 725	3 389	4 887	-	-	-	-	-	-	-	-	-	-	-	-	796	1 398	2 005
Canada	-	-	-	28 556	38 898	50 559	706 523	790 164	874 307	62 971	114 905	166 836	-	-	-	745 576	848 214	952 673
Total Risked	1 725	3 389	4 887	28 556	38 898	50 559	706 523	790 164	874 307	62 971	114 905	166 836	-	-	-	746 372	849 613	954 678

Working Interest Contingent Resource Development Grand Total

	Light & Medium Oil Mbbbl			Heavy Mbbbl			Bitumen Mbbbl			Conventional Bscf			NGL Mbbbl			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Subtotal by Country																		
Unrisked																		
Malaysia	813	933	1 030	-	-	-	-	-	-	-	-	-	-	-	-	813	933	1 030
France	8 624	20 327	31 735	-	-	-	-	-	-	-	-	-	-	-	-	8 624	20 327	31 735
Canada	1 717	3 012	4 971	36 581	50 038	65 086	882 419	986 995	1 092 106	136 136	244 431	352 685	195	278	362	943 601	1 081 062	1 221 305
IPC Total	11 153	24 272	37 736	36 581	50 038	65 086	882 419	986 995	1 092 106	136 136	244 431	352 685	195	278	362	953 037	1 102 322	1 254 070
Subtotal by Country Risked by Chance of Development																		
Malaysia	406	467	515	-	-	-	-	-	-	-	-	-	-	-	-	406	467	515
France	3 740	9 146	14 432	-	-	-	-	-	-	-	-	-	-	-	-	3 740	9 146	14 432
Canada	1 202	2 108	3 480	28 768	39 233	51 009	706 523	790 164	874 307	70 179	125 239	180 271	136	195	253	748 326	852 573	959 094
IPC Total	5 349	11 721	18 427	28 768	39 233	51 009	706 523	790 164	874 307	70 179	125 239	180 271	136	195	253	752 472	862 185	974 041

Project descriptions for the contingent resource estimates in Canada, Malaysia and France are provided as follows:

France

The Contingent Resource estimates reported for France, relate to development drilling, waterflood optimisation opportunities and volumes produced beyond December 31, 2039 in the relevant forecasts. In all cases, the product type is light crude oil. The technical risks and uncertainties associated with the Contingent Resources in France relate to limited seismic coverage and understanding of structural extent of the fields. To recover the Contingent Resources, the drilling of development wells and, in some instances, the modification of existing production facilities would be required. Project development timing for the highest ranked opportunities will potentially be in the next two to five years with the remaining within the next ten years. In all cases, the Contingent Resources require a definitive development plan and approval of the plan to mature from Contingent Resources to Reserves. For those Contingent Resources associated with the petroleum law to become Reserves, it would be necessary for the government to issue a repeal, or for the appeal of an operator to be won, or for new projects to be identified to accelerate hydrocarbon recovery.

Malaysia

The Contingent Resource estimates for Malaysia relate to the drilling of one infill well in Bertam. The decision to drill the Bertam well will be contingent on the performance of the A15-ST infill well plus economic and technical feasibility studies. Project development timing will be within the next five years.

Canada

Suffield Area

The contingent shallow gas resources in the Suffield area of Alberta are for a drilling development. The development is expected to be phased and consists of drilling vertical commingled wells. IPC's gas production in the Suffield area is established therefore infrastructure investment is expected to be minimal, risks low and commercial well recovery can be demonstrated. Sanction of these developments is sensitive to natural gas pricing. Project development timing for the highest ranked targets will potentially be in the next two to five years with the remaining within the next ten years.

The contingent heavy oil resources in the Suffield area are attributed to development drilling. The development is expected to be phased and consists of drilling horizontal wells in the Mannville and Detrital reservoirs. IPC's oil production in the Suffield area is established therefore infrastructure investment is expected to be minimal, risks low and commercial well recovery can be demonstrated. Sanction of these developments is sensitive to the oil price. Project development timing for the highest ranked targets will potentially be in the next two to five years with the remaining within the next ten years.

Blackrod

The contingent bitumen resource estimates reported for the Blackrod area are attributed to a Steam Assisted Gravity Drainage project. The Blackrod thermal pilot project began in 2011, three well pairs are on production. Further development planning and optimisation is ongoing. Project development timing for this will potentially be in the next five to ten years.

Onion Lake Thermal

The thermal contingent heavy oil resources in the Onion Lake area of Saskatchewan are attributed to a thermal enhanced oil recovery project. Commercial production is demonstrated from the earlier phases and IPC has existing operational experience at this site. Sanction of this expansion is sensitive to oil price and potential regulatory changes that could be related to future First Nations leases. Project development timing for this will potentially be in the next two to five years.

Onion Lake Primary

The primary contingent heavy oil resources in the Onion Lake area of Saskatchewan are attributed to infill drilling. The scope would be for vertical Cold Heavy Oil Production with Sand wells (CHOPS). Drilling and production has been proved from the targeted reservoir, IPC has existing operational experience at this site. Sanction of these infill wells is sensitive to oil price and potential regulatory changes that could be related to future First Nations leases. Project development timing for the highest ranked targets will potentially be in the next two to five years with the remaining within the next ten years.

Mooney

The contingent heavy oil resource estimates in the Mooney area of Alberta are attributed to deploying a Alkaline Surfactant Polymer Enhanced Oil Recovery project to the existing development. The development plan is well defined and the operating facility is in place. Sanction of this project is dependent on future oil and chemical prices and the predicted flood performance in the reservoir. Project development timing for this will potentially be in the next two to five years.

John Lake

The primary contingent heavy oil resources in the John Lake area Alberta are attributed to extension drilling of horizontal heavy oil wells. Drilling and production has been proved from the targeted reservoir, IPC has existing operational experience at this site. The well development is sensitive to oil price which results in project development timing for the highest ranked targets to potentially be in the next two to five years with the remaining within the next ten years.

Ferguson

The contingent resources at the Ferguson field are made up of oil and gas resource. The oil resource is attributed to development drilling, re fracturing of existing wells and the optimisation of the field's gas flood. The gas resource is attributed to existing well reactivations and blowdown. Project development timing for this will potentially be in the next two to five years.

Forward-Looking Statements

This document 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 document are expressly qualified by this cautionary statement. Forward-looking statements speak only as of the date of this document, 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.

The Covid-19 virus and the restrictions and disruptions related to it have had a drastic adverse effect on the world demand for, and prices of, oil and gas as well as the market price of the shares of oil and gas companies generally, including the Corporation's common shares. There can be no assurance that these adverse effects will not continue or that commodity prices will not decrease or remain volatile in the future. These factors are beyond the control of the Corporation and it is difficult to assess how these, and other factors, will continue to affect the Corporation and the market price of IPC's common shares. In light of the current situation, as at the date of this document, the Corporation continues to review and assess its business plans and assumptions regarding the business environment, as well as its estimates of future production, cash flows, operating costs and capital expenditures.

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 ability to maximize liquidity and financial flexibility in connection with the current and any future Covid-19 outbreaks and reductions in commodity prices;
- the expectation that recent actions will assist in reducing inventory builds and in rebalancing markets, including supply and demand for oil and gas;
- the potential for an improved future economic environment, including resulting from a lack of capital investment and drilling in the oil and gas industry;
- 2021 production range, operating costs and capital and decommissioning expenditure estimates;
- estimates of future production, cash flows, operating costs and capital expenditures that are based on IPC's current business plans and assumptions regarding the business environment, which are subject to change;
- IPC's financial and operational flexibility to continue to react to recent events and navigate the Corporation through periods of low commodity prices;
- IPC's ability, as market conditions evolve and if determined necessary from time to time, to reduce expenditures and curtail production, and then to resume such production;
- IPC's continued access to its existing credit facilities, including current financial headroom, on terms acceptable to the Corporation;
- the ability to fully fund 2021 expenditures from cash flows and current borrowing capacity;
- IPC's flexibility to remain within existing financial headroom;
- IPC's ability to maintain operations, production and business in light of the current and any future Covid-19 outbreaks and the restrictions and disruptions related thereto, including risks related to production delays and interruptions, changes in laws and regulations and reliance on third-party operators and infrastructure;
- IPC's 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;
- the continued facility uptime and reservoir performance in IPC's areas of operation;
- future development potential of the Suffield and Ferguson operations, including future oil drilling and gas optimization programs;
- development of the Blackrod project in Canada;
- current and future drilling pad production and timing and success of facility upgrades and tie-in work at Onion Lake Thermal;
- the ability to maintain current and forecast production in France;
- the ability of IPC to identify and implement alternative transportation and marketing options for Paris Basin production in connection with the announced closure of the Total-operated Grandpuits refinery, on terms acceptable to the Corporation;
- the ability of IPC to achieve and maintain current and forecast production in Malaysia;
- the withdrawal of PCSB from the Block PM307 and the ability of IPC to increase its WI in such Block to 100%;
- the existence of future M&A opportunities and the ability of IPC to participate in such opportunities;
- IPC's ability to implement its GHG emissions intensity and climate strategies and to achieve its net GHG emissions intensity reduction targets;
- estimates of reserves;
- estimates of contingent resources;
- the ability to generate free cash flows and use that cash to repay debt; 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: 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 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:

- 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 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 consolidated audited financial statements and management's analysis and discussion for the year ended December 31, 2020 (MD&A) (See "Cautionary Statement Regarding Forward-Looking Information" therein), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2019 (See "Cautionary Statement Regarding Forward-Looking Information", "Reserves and Resources Advisory" and "Risk Factors" therein) 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.sedar.com) or IPC's website (www.international-petroleum.com).

The current and any future Covid-19 outbreaks may increase IPC's exposure to, and magnitude of, each of the risks and uncertainties identified above that result from a reduction in demand for oil and gas consumption and/or lower commodity prices and/or reliance on third parties. The extent to which Covid-19 impacts IPC's business, results of operations and financial condition will depend on future developments, which are highly uncertain and are difficult to predict, including, but not limited to, the duration and spread of the current and any future Covid-19 outbreaks, their severity, the actions taken to contain such outbreaks or treat their impact, and how quickly and to what extent normal economic and operating conditions resume and their impacts to IPC's business, results of operations and financial condition which could be more significant in upcoming periods as compared with previous periods. Even after the Covid-19 outbreaks have subsided, IPC may continue to experience materially adverse impacts to IPC's business as a result of the global economic impact.

Disclosure of Oil and Gas Information

This document contains references to estimates of gross and net reserves and resources attributed to the Corporation's oil and gas assets. Gross reserves / resources are the working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests. Net reserves / resources are the working interest (operating or non-operating) share after deduction of royalty obligations, plus royalty interests in reserves/resources, and in respect of PSCs in Malaysia, adjusted for cost and profit oil. Unless otherwise indicated, reserves / resource volumes are presented on a gross basis.

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, 2020, 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, 2020 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, 2020, 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, 2020 price forecasts.

The reserve estimates, contingent resource estimates and estimate of future net revenue, and related information, in respect of IPC's oil and gas assets in Canada, France and Malaysia, based on the above-mentioned Sproule and ERCE reports, are contained in Parts I to VI and Appendix A of this document.

The price forecasts used in the Sproule and ERCE reports are available on the website of Sproule (www.sproule.com), and are contained in Part III – Pricing Assumptions.

The product types comprising the 2P reserves and contingent resources are contained in Part II – Disclosure of Reserves Data and Appendix A – Contingent Resources Data. See also "Supplemental Information regarding Product Types" below. Light, medium and heavy crude oil reserves/resources disclosed in this document include solution gas and other by-products.

"2P Reserves" means proved plus probable reserves. "Proved reserves" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. "Probable reserves" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Each of the reserves categories reported (proved and probable) may be divided into developed and undeveloped categories. "Developed reserves" are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing. "Developed producing reserves" are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty. "Developed non-producing reserves" are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown. "Undeveloped reserves" are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable) to which they are assigned.

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.

There are three classifications of contingent resources: low estimate, best estimate and high estimate. Best estimate is a classification of estimated resources described in the COGE Handbook as being considered to be the best estimate of the quantity that will be actually recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the best estimate.

Contingent resources are further classified based on project maturity. The project maturity subclasses include development pending, development on hold, development unclarified and development not viable. All of the Corporation's contingent resources are classified as either development on hold or development unclarified. Development on hold is defined as a contingent resource where there is a reasonable chance of development, but there are major non-technical contingencies to be resolved that are usually beyond the control of the operator. Development unclarified is defined as a contingent resource that requires further appraisal to clarify the potential for development and has been assigned a lower chance of development until contingencies can be clearly defined. Chance of development is the probability of a project being commercially viable.

References to "unrisked" contingent resources volumes means that the reported volumes of contingent resources have not been risked (or adjusted) based on the chance of commerciality of such resources. In accordance with the COGE Handbook for contingent resources, the chance of commerciality is solely based on the chance of development based on all contingencies required for the re-classification of the contingent resources as reserves being resolved. Therefore unrisked reported volumes of contingent resources do not reflect the risking (or adjustment) of such volumes based on the chance of development of such resources.

The contingent resources reported in this document 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 Corporation's control. There is uncertainty that it will be commercially viable to produce any portion of the contingent resources referred to in this document. References to "contingent resources" do not constitute, and should be distinguished from, references to "reserves".

2P reserves and contingent resources included in the reports prepared by Sproule and ERCE in respect of IPC's oil and gas assets in Canada, France and Malaysia have been aggregated in this document by IPC. Estimates of reserves and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves and future net revenue for all properties, due to aggregation. This document 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 document 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.

The reserves and resources information and data provided in this document presents only a portion of the disclosure required under NI 51-101. All of the required information will be contained in the Corporation's Annual Information Form for the year ended December 31, 2020, which will be filed on SEDAR (accessible at www.sedar.com) on or before April 1, 2021.

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.

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 document:

	Heavy Crude Oil (Mboepd)	Light and Medium Crude Oil (Mboepd)	Conventional Natural Gas (per day)	Total (Mboepd)
Three months ended				
September 30, 2019	19.4	7.6	110.1 Mcf (18.4 Mboe)	45.4
December 31, 2019	20.5	8.6	108.8 Mcf (18.1 Mboe)	47.2
September 30, 2020	15.8	8.7	103.5 Mcf (17.3 Mboe)	41.8
December 31, 2020	19.2	8.2	104.7 Mcf (17.4 Mboe)	44.9
Year ended				
December 31, 2019	19.5	8.3	107.9 Mcf (18.0 Mboe)	45.8
December 31, 2020	16.5	8.5	103.1 Mcf (17.2 Mboe)	42.1

This document also makes reference to IPC's forecast total average daily production of 41,000 to 43,000 boepd for 2021. IPC estimates that approximately 44% of that production will be comprised of heavy oil, approximately 18% will be comprised of light and medium crude oil and approximately 38% will be comprised of conventional natural gas.

Currency

All dollar amounts in this document 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.

Oil related terms and measurements

bbl	Barrel (1 barrel = 159 litres)
boe	Barrels of oil equivalents
boepd	Barrels of oil equivalents per day
bopd	Barrels of oil per day
Mbbl	Thousand barrels
Mboe	Thousand barrels of oil equivalents
Mboepd	Thousand barrels of oil equivalents per day
Mbopd	Thousand barrels of oil per day.
MMboe	Million barrels of oil equivalents
Mcf	Thousand cubic feet
NGL	Natural gas liquid

International Petroleum Corporation 2020 Year-End Financial Results and 2021 Budget, Production and Resource Guidance

International Petroleum Corporation (IPC or the Corporation) (TSX, Nasdaq Stockholm: IPCO) today released its financial and operating results and related management's discussion and analysis (MD&A) for the year ended December 31, 2020. IPC is also pleased to announce its 2021 capital expenditure budget of USD 37 million and its 2021 production guidance of between 41,000 and 43,000 barrels of oil equivalent (boe) per day (boepd).⁽¹⁾ 2020 year-end proved plus probable (2P) reserves and best estimate contingent resources (unrisked) are respectively 272 million boe (MMboe) and 1,102 MMboe.⁽¹⁾⁽²⁾

2020 Financial and Operational and 2021 Business Plan Highlights

- Average net production of approximately 44,900 boepd for the fourth quarter of 2020 (43% heavy crude oil, 18% light and medium crude oil and 39% natural gas)⁽¹⁾.
- Full year 2020 average net production of approximately 42,100 boepd, in line with Q3 2020 guidance (39% heavy crude oil, 20% light and medium crude oil and 41% natural gas)⁽¹⁾.
- Full year 2020 operating costs⁽³⁾ per boe of USD 11.9, in line with Q3 2020 guidance.
- Capital expenditure for full year 2020 of USD 82 million, marginally above Q3 2020 guidance after the decision to advance work at Onion Lake Thermal, Canada.
- Completed the acquisition of Granite Oil Corp. (Granite) in Q1 2020, adding the Ferguson light oil asset to IPC's Canadian business.
- First IPC Sustainability Report published in Q3 2020.
- 2P reserves as at December 31, 2020 of 272 MMboe, with a reserves life index (RLI) of 18 years.⁽¹⁾⁽²⁾
- Contingent resources (best estimate, unrisked) as at December 31, 2020 of 1,102 MMboe.⁽¹⁾⁽²⁾
- 2021 average net production guidance of 41,000 to 43,000 boepd.⁽¹⁾
- 2021 operating costs guidance at USD 14.6 per boe.⁽³⁾
- Full year 2021 capital expenditure budget of USD 37 million, with a focus in 2021 on free cash flow generation and debt reduction.
- Forecast cumulative free cash flow⁽³⁾ for 2021 to 2025 of approximately USD 600 million to USD 900 million, generating estimated average annual free cash flow yield over the five year period of between 28% and 42%.⁽⁷⁾

USD Thousands	Three months ended December 31		Year ended December 31	
	2020	2019	2020	2019
Revenue	103,353	145,535	324,164	553,749
Gross profit / (loss)	(60,570)	43,245	(83,986)	152,904
Net result	(45,250)	38,372	(77,941)	103,588
Operating cash flow ⁽³⁾	46,019	78,888	119,423	307,944
Free cash flow ⁽³⁾	28,571	4,432	9,342	89,308
EBITDA ⁽³⁾	43,004	77,353	108,452	302,513
Net Debt ⁽³⁾	321,193	231,503	321,193	231,503

- Full year 2020 operating cash flow (OCF)⁽³⁾ of USD 119 million and USD 46 million for the fourth quarter 2020.

- Full year 2020 free cash flow (FCF)⁽³⁾ generation of USD 9 million and USD 29 million for the fourth quarter 2020.
- Net debt⁽³⁾ of USD 321 million as at December 31, 2020.
- Net debt⁽³⁾ to EBITDA⁽³⁾ ratio of 2.96 times as at December 31, 2020.
- Full year 2020 net result of USD (78 million) and USD (45 million) for the fourth quarter 2020 including a non-cash impairment charge of USD 54 million after tax on the French Paris Basin assets.

Mike Nicholson, IPC's Chief Executive Officer, commented,

"2020 was certainly the year when we were all called upon to rise up and face the unprecedented challenge of dealing with the outbreak of the Covid-19 pandemic effects. The restrictions we all had to endure to combat the virus in early 2020 turned our world upside down, leading to a collapse in oil demand and profound oil price weakness. The lack of an early agreement by OPEC+ on a supply response only served to exacerbate market balances which had already become severely dislocated.

Thankfully though, following agreement on the deepest production curtailments we have ever seen from the OPEC+ group and other producers, including ourselves, we began to see some positive results. Those actions managed to flatten the curve of inventory builds towards the end of the second quarter of 2020. This in turn led to the oil market moving into deficit during the second half of 2020 with a draw down in excessive inventory levels as the rebalancing process commenced. As a result of the market tightening, average Brent oil prices increased from second quarter levels of around USD 30 per barrel to around USD 45 per barrel during the fourth quarter.

As we look forward into 2021, uncertainties remain as we continue to see new variants and waves of Covid-19 infections. The pace of recovery in oil demand will be dependent on the successful roll out of the vaccination program and the easing of restrictions on mobility. For a sustained recovery in oil prices, discipline and compliance on the supply side measures announced by OPEC+ will also be essential, particularly when considering the timing of easing of the supply curtailments.

As a result, we believe it is prudent to exercise caution with respect to future capital expenditure and growth plans. We held firm on our reset 2020 expenditure program even as we saw oil prices recovering in the second half of the year. We have set a limited capital budget for 2021 with a focus on free cash flow generation and debt reduction. We do not expect to see a return to organic production growth until we see stronger evidence of a more balanced market.

That being said, the massive collapse in investment combined with the redirection of future capital investment away from upstream oil and gas in favour of renewable energy by the majors, along with the dramatic reductions in US shale drilling activity, could set the scene for brighter times ahead. IPC believes that we are very well positioned to benefit from the recovery.

We expect to continue with our opportunistic approach with respect to further business development opportunities. Despite the turmoil the sector has been through, we have already witnessed an uptick in activity levels in the M&A market and anticipate that this will continue in the months ahead.

Update of 2020 Business Plan

Given that IPC operates the majority of our assets, during the first half of 2020 we had the financial and operational flexibility to react swiftly to the situation and to positively position the Corporation to navigate through the period of low commodity prices. All discretionary 2020 expenditures were deferred or cancelled. In addition, during the second quarter of 2020, we took the decision to temporarily curtail production from fields that were not expected to generate positive cash flows at the low pricing levels we were experiencing. These production curtailments related to a portion of our oil production. Our Canadian gas production was not curtailed as we continued to generate strong positive cash flows.

With the improvement in our business outlook, and in particular the strengthening of Canadian crude oil prices, we took the decision in late Q2 2020, to progressively bring back on stream our oil production from our Suffield Oil asset and our Onion Lake Thermal asset. In addition, production from our Paris Basin assets in France had returned to pre-curtaiment levels by June 2020.

During the second half of 2020, the recovery of our Canadian oil production was running ahead of forecast and, by Q3 2020, we guided that we expected production for the full year 2020 to be in excess of our high end guidance range of 37,000 to 40,000 boepd at above 41,000 boepd. We are pleased to report that our production recovery continued during the fourth quarter resulting in our full year net production averaging in excess of 42,000 boepd. A particular achievement of our operating teams across all our sites was the fact that none of our assets faced any interruption as a result of the Covid-19 outbreak during 2020.

IPC's 2020 capital and decommissioning expenditures of USD 82 million were marginally above our Q3 guidance by USD 2 million as we elected to accelerate Onion Lake Thermal Pad D' project works into a more favourable weather window. IPC's 2020 unit operating costs of USD 12 per boe came in at the lower end of our guidance range of USD 12 to 13 per boe.

Our full year operating cash flow amounted to USD 119 million. Notwithstanding the market turmoil, we were able to generate a positive free cash flow of approximately USD 9 million during 2020 as a result of the business reset measures we put in place.

Fourth Quarter 2020 Performance

During the fourth quarter of 2020, our assets delivered average net production of 44,900 boepd, a 7% increase over our Q3 2020 production levels as we continued with the ramp up of the majority of our curtailed oil production in Canada. Our operating costs per boe for the fourth quarter of 2020 was USD 11.9, at the low end of our guidance range.

Operating cash flow generation for the fourth quarter of 2020 amounted to USD 46.0 million, stronger than forecast as a result of stronger oil prices and better than forecast production. Moreover, as a result of our spending reductions, operational choices made and our hedging program, IPC generated USD 29 million of free cash flow during the fourth quarter of 2020.

Capital and decommissioning expenditures during the fourth quarter of 2020 of USD 9.2 million was marginally above forecast following the decision to advance work on Onion Lake Thermal. The limited level of expenditure in Q4 2020 reflects the implementation of our expenditure reduction program previously announced.

Net debt as at December 31, 2020 was USD 321 million.

Maximizing Financial Flexibility

During the first quarter of 2020, we generated in excess of USD 40 million of negative free cash flow as we commenced our front-end loaded investment program that was aimed at growing our production. Given the collapse in oil prices late in Q1 2020, it was clear that our original growth program was not going to be sustainable. As a result, our business reset plan was put in place aimed at maximizing our free cash flow generation to navigate through the weak oil price environment. In Q2 2020, we already delivered free cash flow neutrality and moreover, in the second half of 2020 we were able to generate in excess of USD 50 million of positive free cash flow. For the full year 2020, our reset program delivered what it set out to achieve with IPC generating a USD 9 million free cash flow surplus.

In parallel to our business reset, it was also very important to ensure that we had continued access to our banking facilities. In early Q3 2020, we were pleased to report that we had successfully concluded our discussions with our Canadian and international banking partners. Maturities of our credit facilities were extended and in total we were able to increase the size of these available credit facilities by more than USD 10 million whilst removing any leverage ratio covenants.

As we move into 2021, the focus on free cash flow generation and debt reductions continues with a minimal capital budget proposed that is expected to allow us to sustain production at around our average 2020 levels and achieve our 2021 production guidance.

Sustainability Reporting

Responsible operatorship and ensuring that we adhere to the highest principles of business conduct have been an integral part of how we do business since the creation of IPC in 2017. Over the past three years, IPC has rapidly grown our business with the completion of three acquisitions in Canada as well as significant investments in our French and Malaysian businesses.

In parallel, we have made a concerted effort to further develop and improve our sustainability strategy. An important part of this journey involves the measurement and transparent reporting of a broad range of ESG metrics. Alongside the publication of our third quarter 2020 report, we were very pleased to publish our inaugural Sustainability Report. We encourage everyone to read it and see first-hand the good work that is being done within our company.

As previously announced, IPC targets a reduction of our net GHG emissions intensity by the end of 2025 to 50% of the Corporation's 2019 baseline.

Reserves and Resources

As at end December 2020, IPC's 2P reserves are 272 MMboe.⁽¹⁾⁽²⁾ The reserves life index (RLI) as at December 31, 2020, is approximately 18 years.⁽²⁾ In addition, IPC's best estimate contingent resources (unrisked) as at end December 2020 are 1,102 MMboe.⁽¹⁾⁽²⁾

Based on third party reserves reports, the net present value (NPV)⁽²⁾⁽⁴⁾ of IPC's 2P reserves as at December 31, 2020 was USD 1,630 million. IPC's net asset value (NAV)⁽²⁾⁽⁵⁾ as at December 31, 2020 was USD 1,309 million. IPC's NAV per share⁽²⁾⁽⁶⁾ was USD 8.4 as at December 31, 2020.

2021 Budget and Production Guidance

We are pleased to announce our 2021 production guidance is 41,000 to 43,000 boepd.⁽¹⁾ We forecast operating costs for 2021 to be USD 14.6 per boe.⁽³⁾ We also forecast significant free cash flow generation based on our 2P reserves base of an aggregate of more than USD 600 million to USD 900 million over the period of 2021 to 2025, without taking into account development of our contingent resources or any further potential acquisitions.⁽²⁾⁽³⁾⁽⁷⁾

Our 2021 capital expenditure budget is USD 37 million, as IPC focuses our 2021 strategy on free cash flow generation and debt reduction. The 2021 budget includes continued Onion Lake Thermal Pad D' completion work, gas optimization activities in the Suffield area, well conversions at the Ferguson asset and Blackrod project activities in Canada. We plan limited capital activities in France and Malaysia for 2021, with flexibility to amend our plans based on commodity prices.

Further details regarding IPC's 2021 budget and production guidance will be provided at IPC's Capital Markets Day presentation to be held on February 9, 2021 at 14:00 CET. A copy of the Capital Markets Day presentation will be available on IPC's website at www.international-petroleum.com."

Notes:

- (1) See "Supplemental Information regarding Product Types" in "Disclosure of Oil and Gas Information" below. See also the material change report (MCR) available on IPC's website at www.international-petroleum.com and filed on the date of this press release under IPC's profile on SEDAR at www.sedar.com.
- (2) See "Disclosure of Oil and Gas Information" below. Further information with respect to IPC's reserves, contingent resources and estimates of future net revenue, including assumptions relating to the calculation of NPV, are further described in the MCR.
- (3) Non-IFRS measure, see "Non-IFRS Measures" below and in the MD&A.
- (4) NPV is after tax, discounted at 8% and based upon the forecast prices and other assumptions further described in the MCR. See "Disclosure of Oil and Gas Information" below.
- (5) NAV is calculated as NPV less net debt of USD 321 million as at December 31, 2020.
- (6) NAV per share is based on the number of IPC common shares outstanding as at December 31, 2020 being 155,342,757.
- (7) Estimated free cash flow generation is based on IPC's current business plans over the period of 2021 to 2025. Assumptions include average net production over that period of approximately 45 Mboepd, average Brent oil prices of USD 55 to 65 per boe escalating by 2% per year, average gas prices of CAD 2.50 per thousand cubic feet, and average Brent to Western Canadian Select differentials as estimated by IPC's independent reserves evaluator and as further described in the MCR. Free cash flow yield is based on IPC's market capitalization at close February 5, 2021 (23.36 SEK/share, 8.4 SEK/USD, USD 433 million). 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. See "Forward-Looking Statements" below.

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".

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

This information is information that International Petroleum Corporation is required to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the contact persons set out above, at 07:30 CET on February 9, 2021. The Corporation's audited consolidated financial statements (Financial Statements) and management's discussion and analysis (MD&A) for the year ended December 31, 2020 have been filed on SEDAR (www.sedar.com) 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.

The Covid-19 virus and the restrictions and disruptions related to it have had a drastic adverse effect on the world demand for, and prices of, oil and gas as well as the market price of the shares of oil and gas companies generally, including the Corporation's common shares. There can be no assurance that these adverse effects will not continue or that commodity prices will not decrease or remain volatile in the future. These factors are beyond the control of the Corporation and it is difficult to assess how these, and other factors, will continue to affect the Corporation and the market price of IPC's common shares. In light of the current situation, as at the date of this press release, the Corporation continues to review and assess its business plans and assumptions regarding the business environment, as well as its estimates of future production, cash flows, operating costs and capital expenditures.

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 ability to maximize liquidity and financial flexibility in connection with the current and any future Covid-19 outbreaks and reductions in commodity prices;
- the expectation that recent actions will assist in reducing inventory builds and in rebalancing markets, including supply and demand for oil and gas;
- the potential for an improved future economic environment, including resulting from a lack of capital investment and drilling in the oil and gas industry;
- 2021 production range, operating costs and capital and decommissioning expenditure estimates;
- estimates of future production, cash flows, operating costs and capital expenditures that are based on IPC's current business plans and assumptions regarding the business environment, which are subject to change;
- IPC's financial and operational flexibility to continue to react to recent events and navigate the Corporation through periods of low commodity prices;
- IPC's ability, as market conditions evolve and if determined necessary from time to time, to reduce expenditures and curtail production, and then to resume such production;
- IPC's continued access to its existing credit facilities, including current financial headroom, on terms acceptable to the Corporation;
- the ability to fully fund 2021 expenditures from cash flows and current borrowing capacity;
- IPC's flexibility to remain within existing financial headroom;
- IPC's ability to maintain operations, production and business in light of the current and any future Covid-19 outbreaks and the restrictions and disruptions related thereto, including risks related to production delays and interruptions, changes in laws and regulations and reliance on third-party operators and infrastructure;
- IPC's 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;
- the continued facility uptime and reservoir performance in IPC's areas of operation;
- future development potential of the Suffield and Ferguson operations, including future oil drilling and gas optimization programs;
- development of the Blackrod project in Canada;
- current and future drilling pad production and timing and success of facility upgrades and tie-in work at Onion Lake Thermal;
- the ability to maintain current and forecast production in France;
- the ability of IPC to identify and implement alternative transportation and marketing options for Paris Basin production in connection with the announced closure of the Total-operated Grandpuits refinery, on terms acceptable to the Corporation;
- the ability of IPC to achieve and maintain current and forecast production in Malaysia;
- the withdrawal of PCSB from the Block PM307 and the ability of IPC to increase its VI in such Block to 100%;
- the existence of future M&A opportunities and the ability of IPC to participate in such opportunities;
- IPC's ability to implement its GHG emissions intensity and climate strategies and to achieve its net GHG emissions intensity reduction targets;
- estimates of reserves;
- estimates of contingent resources;
- the ability to generate free cash flows and use that cash to repay debt; 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: 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 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:

- 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 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 MCR, the MD&A (See "Cautionary Statement Regarding Forward-Looking Information" therein), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2019 (See "Cautionary Statement Regarding Forward-Looking Information", "Reserves and Resources Advisory" and "Risk Factors" therein) 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.sedar.com) or IPC's website (www.international-petroleum.com).

The current and any future Covid-19 outbreaks may increase IPC's exposure to, and magnitude of, each of the risks and uncertainties identified above that result from a reduction in demand for oil and gas consumption and/or lower commodity prices and/or reliance on third parties. The extent to which Covid-19 impacts IPC's business, results of operations and financial condition will depend on future developments, which are highly uncertain and are difficult to predict, including, but not limited to, the duration and spread of the current and any future Covid-19 outbreaks, their severity, the actions taken to contain such outbreaks or treat their impact, and how quickly and to what extent normal economic and operating conditions resume and their impacts to IPC's business, results of operations and financial condition which

could be more significant in upcoming periods as compared with previous periods. Even after the Covid-19 outbreaks have subsided, IPC may continue to experience materially adverse impacts to IPC's business as a result of the global economic impact.

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", 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 Corporation uses non-IFRS measures to provide investors with supplemental measures to assess the cash generated by and the financial performance and position of the Corporation. Management also uses non-IFRS measures internally in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess the Corporation's ability to meet its future capital expenditure and working capital requirements. Management believes these non-IFRS measures are important supplemental measures of operating performance because they highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management believes such measures allow for assessment of the Corporation's operating performance and financial condition on a basis that is more consistent and comparable between reporting periods. The Corporation also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes.

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

Disclosure of Oil and Gas Information

This press release contains references to estimates of gross and net reserves and resources attributed to the Corporation's oil and gas assets. Gross reserves / resources are the working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests. Net reserves / resources are the working interest (operating or non-operating) share after deduction of royalty obligations, plus royalty interests in reserves/resources, and in respect of PSCs in Malaysia, adjusted for cost and profit oil. Unless otherwise indicated, reserves / resource volumes are presented on a gross basis.

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, 2020, 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, 2020 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, 2020, 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, 2020 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 MCR.

The reserves life index (RLI) is calculated by dividing the 2P reserves of 272 MMboe as at December 31, 2020, by the mid-point of the 2021 production guidance of 41,000 to 43,000 boepd.

The product types comprising the 2P reserves and contingent resources described in this press release are contained in the MCR. See also "Supplemental Information regarding Product Types" below. Light, medium and heavy crude oil reserves/resources disclosed in this press release include solution gas and other by-products.

"2P reserves" means proved plus probable reserves. "Proved reserves" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. "Probable reserves" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Each of the reserves categories reported (proved and probable) may be divided into developed and undeveloped categories. "Developed reserves" are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing. "Developed producing reserves" are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty. "Developed non-producing reserves" are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown. "Undeveloped reserves" are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable) to which they are assigned.

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.

There are three classifications of contingent resources: low estimate, best estimate and high estimate. Best estimate is a classification of estimated resources described in the COGE Handbook as being considered to be the best estimate of the quantity that will be actually recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the best estimate.

Contingent resources are further classified based on project maturity. The project maturity subclasses include development pending, development on hold, development unclarified and development not viable. All of the Corporation's contingent resources are classified as either development on hold or development unclarified. Development on hold is defined as a contingent resource where there is a reasonable chance of development, but there are major non-technical contingencies to be resolved that are usually beyond the control of the operator. Development unclarified is defined as a contingent resource that requires further appraisal to clarify the potential for development and has been assigned a lower chance of development until contingencies can be clearly defined. Chance of development is the probability of a project being commercially viable.

References to "unrisked" contingent resources volumes means that the reported volumes of contingent resources have not been risked (or adjusted) based on the chance of commerciality of such resources. In accordance with the COGE Handbook for contingent resources, the chance of commerciality is solely based on the chance of development based on all contingencies required for the re-classification of the contingent resources as reserves being resolved. Therefore unrisked reported volumes of contingent resources do not reflect the risking (or adjustment) of such volumes based on the chance of development of such resources.

The contingent resources reported in this 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 Corporation'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. References to "contingent resources" do not constitute, and should be distinguished from, references to "reserves".

2P reserves and contingent resources included in the reports prepared by Sproule 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 press release 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 press release 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.

The reserves and resources information and data provided in this press release presents only a portion of the disclosure required under NI 51-101. All of the required information will be contained in the Corporation's Annual Information Form for the year ended December 31, 2020, which will be filed on SEDAR (accessible at www.sedar.com) on or before April 1, 2021. Further information with respect to IPC's 2P reserves, contingent resources and estimates of future net revenue, including assumptions relating to the calculation of net present value and other relevant information related to the contingent resources disclosed, is disclosed in the MCR available under IPC's profile on www.sedar.com and on IPC's website at www.international-petroleum.com.

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.

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 document:

	Heavy Crude Oil (Mboepd)	Light and Medium Crude Oil (Mboepd)	Conventional Natural Gas (per day)	Total (Mboepd)
Three months ended				
September 30, 2019	19.4	7.6	110.1 Mcf (18.4 Mboe)	45.4
December 31, 2019	20.5	8.6	108.8 Mcf (18.1 Mboe)	47.2
September 30, 2020	15.8	8.7	103.5 Mcf (17.3 Mboe)	41.8
December 31, 2020	19.2	8.2	104.7 Mcf (17.4 Mboe)	44.9
Year ended				
December 31, 2019	19.5	8.3	107.9 Mcf (18.0 Mboe)	45.8
December 31, 2020	16.5	8.5	103.1 Mcf (17.2 Mboe)	42.1

This press release also makes reference to IPC's forecast total average daily production of 41,000 to 43,000 boepd for 2021. IPC estimates that approximately 44% of that production will be comprised of heavy oil, approximately 18% will be comprised of light and medium crude oil and approximately 38% 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. References herein to CAD mean Canadian dollars.