

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 26, 2018

3. News Release:

On February 26, 2018, a news release was issued and disseminated through the facilities of a recognized newswire service.

4. Summary of Material Change:

On February 26, 2018, in addition to releasing its financial and operating results and related management's discussion and analysis for the three months and year ended December 31, 2017 (MD&A), IPC announced its 2018 capital expenditure budget of USD 32 million and its 2018 production guidance of between 30,000 and 34,000 barrels of oil equivalent (boe) per day (boepd). IPC also announced that 2017 year-end reserves and contingent resources more than quadrupled and tripled respectively to 129.1 million boe (MMboe) and 63.4 MMboe, after giving effect to the Suffield acquisition in Canada completed on January 5, 2018.

IPC also stated that further details will be provided at IPC's Capital Markets Day presentation to be held on February 26, 2018. 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, prospective resource estimates and estimates of future net revenue, as further described in the attached news release and "Disclosure of Year End 2017 Reserves and Resources Data and Other Oil and Gas Information".

5. Full Description of Material Change:

5.1 Full Description of Material Change

Please see attached "Disclosure of Year End 2017 Reserves and Resources Data and Other Oil and Gas Information" and news release dated February 26, 2018..

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:

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9. Date of Report:

February 26, 2018

Disclosure of Year End 2017 Reserves and Resources Data and Other Oil and Gas Information

February 26, 2018

Summary

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

Reserve estimates, contingent resource estimates, prospective resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in France, Malaysia and the Netherlands are effective as of December 31, 2017 and were prepared by IPC and audited by ERC Equipoise Ltd. (ERCE), an independent qualified reserves auditor, 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 McDaniel & Associates Consultants Ltd.'s (McDaniel) January 1, 2018 price forecasts as referred to below.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in Canada are effective as of January 5, 2018, being the completion date for the acquisition of this assets by IPC, and were evaluated by McDaniel, an independent qualified reserves evaluator, in accordance with NI 51-101 and the COGE Handbook, and using McDaniel's January 1, 2018 price forecasts. The volumes and future net revenues are reported and aggregated by IPC in this document as being as at December 31, 2017. No volumes or future net revenues have been attributed to IPC for the first 5 days of January in the McDaniel evaluation.

IPC's Form 51-101F1 "Statement of Reserves Data and Other Oil and Gas Information" as at December 31, 2017 in the form prescribed by NI 51-101 (and related filings), will be filed separately in accordance with NI 51-101.

Pricing and aggregation of results

All assets were evaluated using McDaniel's January 1, 2018 price forecast to allow IPC to combine the results of ERCE's audit and McDaniel's evaluation to arrive at a total for IPC. The price forecast used is available on McDaniel's website and is shown in table 1 below.

In this document, the international assets (France, Malaysia and Netherlands) are presented first, followed by a summary of the Canadian assets. The international asset estimates are summarized from the ERCE report and the Canadian asset estimates are summarized from the McDaniel report.

IPC has then generated aggregated tables (see tables 7, 12 and 13) which are the arithmetic sum of the two sets of results to arrive at combined IPC year-end 2017 reserve and resource estimates with a reference date of December 31, 2017. 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 the effects of aggregation.

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Table 1 - Forecast prices used in Estimates

FORECAST PRICES USED IN ESTIMATES											
January 1st, 2018											
2017 REALIZED PRICE + 2018 AND FORWARD FORECAST PRICES AND COSTS											
	Brent Reference	WTI Reference	WCS Reference	NBP Reference	Canada		France		Netherlands		Malaysia
	Liquid (1)	Liquid (1)	Liquid (1)	Gas (1)	Liquid	Gas	Liquid Aquitaine Basin	Liquid Paris Basin	Liquid	Gas (3)	Liquid
Year	\$bbl	\$bbl	\$/bbl	\$/mmbtu	\$bbl (2)	\$/mcf (2)	\$bbl (4)	\$bbl (4)	\$bbl	\$/mcf	\$bbl (4)
2017	54.35	50.87	49.70	n/a	n/a	n/a	50.98	53.44	43.57	5.62	57.30
2018	63.50	58.50	51.90	6.25	34.09	1.98	63.25	62.07	63.50	6.09	66.50
2019	61.30	58.70	57.00	6.37	38.05	2.18	61.05	59.87	61.30	6.23	64.30
2020	63.40	62.40	61.40	6.63	41.91	2.40	63.15	61.97	63.40	6.51	66.40
2021	70.10	69.00	66.00	7.00	46.87	2.77	69.85	68.67	70.10	6.89	73.10
2022	74.20	73.10	67.90	7.32	49.75	3.02	73.95	72.77	74.20	7.22	77.20
2023	75.60	74.50	69.20	7.44	50.70	3.06	75.35	74.17	75.60	7.35	78.60
2024	77.10	76.00	70.60	7.61	51.73	3.14	76.85	75.67	77.10	7.51	80.10
2025	78.60	77.50	72.00	7.73	52.75	3.19	78.35	77.17	78.60	7.64	81.60
2026	80.30	79.10	73.50	7.91	53.85	3.27	80.05	78.87	80.30	7.73	83.30
2027	81.90	80.70	74.90	8.03	54.87	3.31	81.65	80.47	81.90	7.84	84.90
2028	83.50	82.30	76.40	8.21	55.97	3.40	83.25	82.07	83.50	8.46	86.50
2029	85.10	83.90	77.90	8.39	57.07	3.48	84.85	83.67	85.10	8.66	88.10
2030	86.90	85.60	79.50	8.57	58.24	3.57	86.65	85.47	86.90	8.86	89.90
2031	88.60	87.30	81.10	8.70	59.42	3.61	88.35	87.17	88.60	9.01	91.60
2032	90.40	89.10	82.70	8.89	60.59	3.65	90.15	88.97	90.40	9.21	93.40
2033+	+2.0%	+2.0%	+2.0%	+2.0%	+2.0%	+2.0%	+2.0%	+2.0%	+2.0%	+2.0%	+2.0%

- (1) Brent, WTI, WCS, and NBP reference prices are taken from McDaniel and Associates January 1, 2018 Price forecast inflated 2%/yr from 2033 onwards
- (2) Field reference prices are calculated by McDaniel and Associates and are net of transportation and crude quality adjustments
- (3) Netherlands gas prices are based upon the McDaniel NBP gas price forecast and on a field by field basis are calorific value dependent. The prices quoted here are weighted average achieved price in each period.
- (4) The France and Malaysia price forecasts are derived by applying differentials to the reference McDaniel Brent forecast

Exchange rate Assumptions

Rate	2018	2019	2020	2021	2022 on
EUR/USD	0.87	0.87	0.87	0.87	0.87
GBP/USD	0.77	0.77	0.77	0.77	0.77
MYR/USD	4.25	4.25	4.25	4.25	4.25
CAD/USD	1.27	1.27	1.25	1.21	1.18

Part I
International Assets
France, Malaysia, Netherlands

Table 2. French Assets - Summary of Reserves and Net Present Values

France							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
Light & Medium Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	6.4	6.6	8.8	17.6	25.9	0.2	2.2
Company Net Reserves	5.6	5.8	7.7	15.4	22.8	0.2	1.9
Heavy Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Conventional Natural Gas (Bscf)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Natural Gas Liquids (MMbbl)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Total Oil Equivalent (Mmboe)							
Company Gross Working Interest Reserves	6.4	6.6	8.8	17.6	25.9	0.2	2.2
Company Net Reserves	5.6	5.8	7.7	15.4	22.8	0.2	1.9
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
Net Present Value Before Tax (MM U.S.\$)							
0%	93.2	94.9	161.0	474.7	1,027.1	1.7	66.1
5%	91.7	92.6	126.4	322.3	554.5	0.9	33.8
8%	86.6	87.2	109.4	260.1	415.9	0.6	22.2
10%	82.7	83.1	99.6	228.0	352.7	0.4	16.5
15%	72.8	72.9	79.6	170.1	250.7	0.1	6.7
20%	63.9	63.8	64.8	132.6	191.4	-	0.1
Net Present Value After Tax (MM U.S.\$)							
	PDP	PD	1P	2P	3P	PDNP	PUD
0%	60.2	61.5	110.3	334.3	737.7	1.3	48.8
5%	68.5	69.2	93.8	241.2	412.7	0.7	24.6
8%	67.4	67.8	83.6	197.4	312.2	0.4	15.8
10%	65.6	65.9	77.3	174.1	265.7	0.3	11.4
15%	59.7	59.7	63.5	131.3	189.9	0.0	3.8
20%	53.7	53.5	52.8	103.1	145.6	-	0.1

Table 3. Malaysian Assets - Summary of Reserves and Net Present Values

Malaysia							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
Light & Medium Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	3.2	3.2	3.9	9.1	11.8	-	0.7
Company Net Reserves	2.8	2.8	3.4	7.8	10.0	-	0.6
Heavy Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Conventional Natural Gas (Bscf)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Natural Gas Liquids (MMbbl)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Total Oil Equivalent (Mmboe)							
Company Gross Working Interest Reserves	3.2	3.2	3.9	9.1	11.8	-	0.7
Company Net Reserves	2.8	2.8	3.4	7.8	10.0	-	0.6
Net Present Value Before Tax (MM U.S.\$)							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
0%	120.7	120.7	153.0	391.4	558.0	-	32.3
5%	114.9	114.9	145.2	351.0	491.0	-	30.3
8%	111.7	111.7	140.9	330.6	457.8	-	29.2
10%	109.7	109.7	138.3	318.3	438.1	-	28.6
15%	105.1	105.1	132.1	291.4	395.6	-	27.0
20%	100.9	100.9	126.5	268.9	360.9	-	25.6
Net Present Value After Tax (MM U.S.\$)							
	PDP	PD	1P	2P	3P	PDNP	PUD
0%	120.7	120.7	153.0	391.4	536.8	-	32.3
5%	114.9	114.9	145.2	351.0	473.4	-	30.3
8%	111.7	111.7	140.9	330.6	442.1	-	29.2
10%	109.7	109.7	138.3	318.3	423.4	-	28.6
15%	105.1	105.1	132.1	291.4	383.1	-	27.0
20%	100.9	100.9	126.5	268.9	350.1	-	25.6

Table 4. Netherlands Assets - Summary of Reserves and Net Present Values

Netherlands								
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped	
Light & Medium Crude Oil (MMbbl)								
Company Gross Working Interest Reserves	0.0	0.0	0.0	0.0	0.1	0.0	0.0	
Company Net Reserves	0.0	0.0	0.0	0.0	0.1	0.0	0.0	
Heavy Crude Oil (MMbbl)								
Company Gross Working Interest Reserves	-	-	-	-	-	-	-	
Company Net Reserves	-	-	-	-	-	-	-	
Conventional Natural Gas (Bscf)								
Company Gross Working Interest Reserves	5.2	5.8	5.8	10.8	17.9	0.6	0.0	
Company Net Reserves	5.2	5.8	5.8	10.8	17.9	0.6	0.0	
Natural Gas Liquids (MMbbl)								
Company Gross Working Interest Reserves	-	-	-	-	-	-	-	
Company Net Reserves	-	-	-	-	-	-	-	
Total Oil Equivalent (Mmboe)								
Company Gross Working Interest Reserves	0.9	1.0	1.0	1.8	3.0	0.1	0.0	
Company Net Reserves	0.9	1.0	1.0	1.8	3.0	0.1	0.0	
Net Present Value Before Tax (MM U.S.\$)								
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped	
0%	- 23.7	- 23.0	- 22.8	- 2.6	40.8	0.7	0.2	
5%	- 10.2	- 8.6	- 8.3	- 13.0	43.0	1.6	0.2	
8%	- 5.3	- 3.5	- 3.2	- 17.0	41.8	1.8	0.2	
10%	- 2.8	- 1.0	- 0.7	- 18.5	40.6	1.9	0.2	
15%	- 1.3	- 3.2	- 3.4	- 20.2	37.0	1.9	0.2	
20%	- 3.7	- 5.5	- 5.7	- 20.2	33.6	1.8	0.2	
Net Present Value After Tax (MM U.S.\$)								
	PDP	PD	1P	2P	3P	PDNP	PUD	
0%	- 23.7	- 23.0	- 22.8	- 4.8	29.6	0.7	0.2	
5%	- 10.2	- 8.6	- 8.3	- 11.0	33.9	1.6	0.2	
8%	- 5.3	- 3.5	- 3.2	- 15.0	33.6	1.8	0.2	
10%	- 2.8	- 1.0	- 0.7	- 16.6	32.9	1.9	0.2	
15%	- 1.3	- 3.2	- 3.4	- 18.3	30.3	1.9	0.2	
20%	- 3.7	- 5.5	- 5.7	- 18.5	27.6	1.8	0.2	

Table 5. France, Malaysia, Netherlands Assets Total - Summary of Reserves and Net Present Values

IPC International SubTotal							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
Light & Medium Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	9.7	9.9	12.7	26.7	37.7	0.2	2.9
Company Net Reserves	8.4	8.6	11.1	23.2	32.9	0.2	2.5
Heavy Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Conventional Natural Gas (Bscf)							
Company Gross Working Interest Reserves	5.2	5.8	5.8	10.8	17.9	0.6	0.0
Company Net Reserves	5.2	5.8	5.8	10.8	17.9	0.6	0.0
Natural Gas Liquids (MMbbl)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Total Oil Equivalent (Mmboe)							
Company Gross Working Interest Reserves	10.5	10.8	13.7	28.5	40.7	0.3	2.9
Company Net Reserves	9.3	9.5	12.0	25.0	35.8	0.3	2.5
Net Present Value Before Tax (MM U.S.\$)							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
0%	190.1	192.5	291.2	863.5	1,626.0	2.4	98.6
5%	196.4	198.9	263.3	686.4	1,088.5	2.5	64.3
8%	193.0	195.4	247.1	607.8	915.5	2.4	51.7
10%	189.5	191.8	237.1	564.9	831.4	2.3	45.3
15%	179.1	181.1	215.1	481.6	683.4	2.0	33.9
20%	168.5	170.2	197.0	421.7	585.9	1.7	26.8
Net Present Value After Tax (MM U.S.\$)							
	PDP	PD	1P	2P	3P	PDNP	PUD
0%	157.2	159.2	240.5	720.9	1,304.1	2.0	81.3
5%	173.3	175.5	230.7	603.1	920.1	2.3	55.2
8%	173.8	176.1	221.3	543.0	787.8	2.2	45.3
10%	172.5	174.6	214.8	509.0	721.9	2.2	40.2
15%	166.1	168.0	199.0	441.0	603.3	1.9	31.0
20%	158.3	159.9	185.0	390.5	523.3	1.6	25.1

Part II

Canada Suffield Assets¹

¹ The volumes are reported from an economic reference date of January 5, 2018, being the completion date for the acquisition of the Canada Suffield assets by IPC.

Table 6. Canadian Assets - Summary of Reserves and Net Present Values

Canada - Suffield Area Assets							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
Light & Medium Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	-	-	-	-	-	-	-
Company Net Reserves	-	-	-	-	-	-	-
Heavy Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	13.1	13.4	18.9	27.3	34.5	0.3	5.4
Company Net Reserves	12.6	12.9	17.9	25.7	32.0	0.3	5.1
Conventional Natural Gas (Bscf)							
Company Gross Working Interest Reserves	331.2	357.2	357.8	439.1	497.8	26.1	0.6
Company Net Reserves	313.9	338.6	339.2	415.8	471.4	24.8	0.6
Natural Gas Liquids (MMbbl)							
Company Gross Working Interest Reserves	0.0	0.0	0.0	0.1	0.1	0.0	0.0
Company Net Reserves	0.0	0.0	0.0	0.1	0.1	0.0	0.0
Total Oil Equivalent (Mmboe)							
Company Gross Working Interest Reserves	68.3	73.0	78.6	100.6	117.6	4.7	5.6
Company Net Reserves	64.9	69.3	74.5	95.0	110.6	4.4	5.2
Net Present Value Before Tax (MM U.S.\$)							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
0%	534.7	580.6	717.0	1,172.1	1,605.9	45.8	136.4
5%	519.6	551.1	620.5	886.7	1,104.3	31.5	69.4
8%	480.9	506.3	554.9	758.4	917.2	25.4	48.6
10%	454.1	476.2	515.0	688.2	820.4	22.1	38.8
15%	393.0	408.6	431.2	552.5	642.2	15.6	22.6
20%	343.2	354.2	367.1	456.9	521.9	11.0	13.0
Net Present Value After Tax (MM U.S.\$)							
	PDP	PD	1P	2P	3P	PDNP	PUD
0%	419.3	453.6	570.6	932.4	1,270.0	34.3	117.0
5%	427.9	450.6	506.4	710.2	874.6	22.7	55.8
8%	399.9	417.7	455.1	608.2	726.7	17.8	37.4
10%	379.1	394.3	423.2	552.2	650.4	15.2	28.9
15%	330.0	340.1	355.2	443.9	509.8	10.1	15.2
20%	289.1	295.6	302.9	367.4	415.0	6.6	7.2

Part III
IPC Aggregation of
Canadian² and International Assets

² The volumes for the Canadian Suffield assets are reported from an economic reference date of January 5, 2018, being the completion date for the acquisition of such assets by IPC.

Table 7. IPC Consolidation - Summary of Reserves and Net Present Value

IPC Aggregated Total							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
Light & Medium Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	9.7	9.9	12.7	26.7	37.7	0.2	2.9
Company Net Reserves	8.4	8.6	11.1	23.2	32.9	0.2	2.5
Heavy Crude Oil (MMbbl)							
Company Gross Working Interest Reserves	13.1	13.4	18.9	27.3	34.5	0.3	5.4
Company Net Reserves	12.6	12.9	17.9	25.7	32.0	0.3	5.1
Conventional Natural Gas (Bscf)							
Company Gross Working Interest Reserves	336.4	363.0	363.7	449.9	515.7	26.6	0.7
Company Net Reserves	319.1	344.4	345.1	426.6	489.3	25.3	0.6
Natural Gas Liquids (MMbbl)							
Company Gross Working Interest Reserves	0.0	0.0	0.0	0.1	0.1	0.0	0.0
Company Net Reserves	0.0	0.0	0.0	0.1	0.1	0.0	0.0
Total Oil Equivalent (Mmboe)							
Company Gross Working Interest Reserves	78.9	83.8	92.3	129.1	158.3	5.0	8.5
Company Net Reserves	74.2	78.9	86.5	120.1	146.4	4.7	7.7
Net Present Value Before Tax (MM U.S.\$)							
	Proved Developed Producing	Proved Developed	Total Proved	Total Proved plus Probable	Proved plus Probable plus Possible	Proved Developed Non Producing	Proved Undeveloped
0%	724.8	773.1	1,008.1	2,035.6	3,232.0	48.2	235.1
5%	716.0	750.0	883.7	1,573.1	2,192.8	34.0	133.8
8%	673.9	701.8	802.0	1,366.2	1,832.7	27.8	100.3
10%	643.7	668.1	752.1	1,253.1	1,651.8	24.4	84.1
15%	572.1	589.7	646.3	1,034.2	1,325.5	17.6	56.5
20%	511.7	524.4	564.2	878.6	1,107.8	12.6	39.8
Net Present Value After Tax (MM U.S.\$)							
0%	576.5	612.8	811.1	1,653.4	2,574.1	36.3	198.3
5%	601.2	626.1	737.1	1,313.3	1,794.7	24.9	111.0
8%	573.7	593.8	676.4	1,151.2	1,514.5	20.0	82.7
10%	551.6	568.9	638.0	1,061.2	1,372.2	17.3	69.1
15%	496.0	508.1	554.3	884.8	1,113.1	12.0	46.2
20%	447.4	455.6	487.9	757.9	938.4	8.2	32.4

Part IV

Contingent Resources - Canada³

³ The volumes are reported from an economic reference date of January 5, 2018, being the completion date for the acquisition of the Canada Suffield assets by IPC.

Table 8. Canadian Assets - Summary of Best Estimate Contingent Resources

Oil - Best Estimate Contingent Resources								
Pool	Unrisked	Development Technique	Technology	Economic Status	Project Maturity Subclass	Project Evaluation Scenario Status	Chance of Development	Risked
	(Mbbbl)						(%)	(Mbbbl)
P3P	672	ASP	Established	Sub-economic	Development Unclassified	Conceptual	50%	336
D2D	502	ASP						251
M3M	474	WF+ASP						237
F3F	176	WF+ASP						88
O3O	258	WF+ASP						129
Total	2,083	WF+ASP						1,041
Oil Drilling	4,120	Conventional	Established	Economic	Development Unclassified	Conceptual	70%	2,884
	1,170			Sub-economic			50%	585

Gas - Best Estimate Contingent Resources								
Pool	Unrisked	Development Technique	Technology	Economic Status	Project Maturity Subclass	Project Evaluation Scenario Status	Chance of Development	Risked
	(MMcf)						(%)	(MMcf)
Alderson	45,355	Vertical Infills	Established	Economic	Development Unclassified	Conceptual	70%	31,749
	129,237							90,466
Suffield	57,140							28,570

Total		
Pool	Unrisked (MBOE)	Risked (MBOE)
Total	45,995	29,641

IPC has a 100% working interest in all of the contingent resources tabulated above. The oil contingent resources relate to heavy oil, and the gas contingent resources relate to conventional natural gas.

The contingent resources reported for Canada are consolidated into three project categories: shallow gas development drilling, oil development drilling and Alkaline Surfactant Polymer injection project expansion. In all cases the recovery of the resources would be via established technology, are based upon conceptual development plans, are classed in either sub-economic or economic category as discussed below, and in terms of project maturity are considered in all cases as having development unclassified status.

The shallow gas drilling project is estimated to require an estimated CAD 350 to 450 million with the main contingencies being natural gas prices, refinement of project definition, and approval of the project concept. Timing of first commercial production, should the project proceed, is expected to be in the 2019 to 2025 horizon. It is likely that the project would be approved and implemented in a number of stages. The project is primarily drilling and completion scope with minimal infrastructure investment required. Positive factors include opportunity to reduce capital requirements and to improve per well production performance relative to forecast. Negative factors include natural gas price risk as well as geologic and well completion risk. The total contingent resource attributed to shallow gas drilling is 38.6 MMboe with 9.5 MMboe considered sub-economic and 29.1 MMboe considered economic. The conventional natural gas contingent resources require a definitive development plan and approval of the plan to mature from contingent resources to reserves. Implicit in project approval is the demonstration of economic development scheme to recover the resources.

The oil development drilling is estimated to require CAD 75 to 100 million of capital largely consisting of drilling and completion scope with minor facility and infrastructure investments. The main contingencies relate to refinement of project definition and approval of the development concept. Timing of first commercial production, should the project proceed, is expected to be in the 2019 to 2025 horizon. It is likely that the project would be approved and implemented in a number of stages. Positive factors include opportunity to reduce capital requirements and to improve per well production performance relative to forecast. Negative factors include crude oil price risk as well as geologic and reservoir performance risk. The total contingent resources attributed to oil drilling is 5.3 MMboe of which 4.1 MMboe is in economic category and 1.2 MMboe is in sub-economic category. The heavy oil development drilling contingent resources require a definitive development plan and

approval of the plan to mature from contingent resources to reserves. Implicit in project approval is the demonstration of economic development scheme to recover the resources.

The Alkaline Surfactant Polymer (ASP) injection expansion and waterflood optimization projects are conceptually defined. The estimated capital to execute this project is CAD 40 to 80 million which is a combination of facility and pipeline expansion and drilling of injectors and producers. Timing of first commercial production, should the project proceed is expected to be in the 2022 to 2027 horizon. It is likely that the project would be approved and implemented in a number of stages. Positive factors include opportunity to reduce capital and operating cost requirements and to improve oil recovery efficiency relative to forecast. Negative factors include oil price risk, operating cost risk, geologic risk, and reservoir performance risk. The total contingent resource attributed to ASP expansion and waterflood optimization projects is 2.1 MMboe and is classed in sub-economic category. These enhanced oil recovery contingent resources require a definitive development plan and approval of the plan to mature from contingent resources to reserves. Implicit in project approval is the demonstration of economic development scheme to recover the resources.

Part V
Contingent and Prospective
Resources - International

Table 9. International Assets - Summary of Contingent Resource Volumes

Asset	License / Area	Working Interest	Light and medium oil			Natural Gas			Total Unrisked Contingent			Chance of Development	Total Risked Contingent Resources		
			Total Unrisked Working Interest (Mbb)			Working Interest (MMscf)			Working Interest (Mboe)				Working Interest (Mboe)		
			1C	2C	3C	1C	2C	3C	1C	2C	3C		1C	2C	3C
Malaysia															
Bertam	PM307	75%	828.0	1,380.0	1,932.0	-	-	-	828.0	1,380.0	1,932.0	75%	621.0	1,035.0	1,449.0
MALAYSIA TOTAL			828.0	1,380.0	1,932.0	-	-	-	828.0	1,380.0	1,932.0		621.0	1,035.0	1,449.0
France															
Amaltheus	Paris Basin	100.00%	202.2	719.5	1,244.8	-	-	-	202.2	719.5	1,244.8	50%	101.1	359.7	622.4
Courdemanges	Paris Basin	100.00%	428.3	1,558.4	2,650.7	-	-	-	428.3	1,558.4	2,650.7	50%	214.2	779.2	1,325.3
Dommartin Lettree	Paris Basin	43.01%	521.5	992.8	1,285.0	-	-	-	521.5	992.8	1,285.0	50%	260.7	496.4	642.5
Genievre	Paris Basin	100.00%	-	83.9	231.2	-	-	-	-	83.9	231.2	50%	-	42.0	115.6
Grandville	Paris Basin	100.00%	110.5	1,499.0	2,093.2	-	-	-	110.5	1,499.0	2,093.2	50%	55.3	749.5	1,046.6
Merisier	Paris Basin	100.00%	564.2	2,582.1	4,052.0	-	-	-	564.2	2,582.1	4,052.0	50%	282.1	1,291.0	2,026.0
Soudron	Paris Basin	100.00%	1,435.6	1,598.9	2,511.6	-	-	-	1,435.6	1,598.9	2,511.6	50%	717.8	799.4	1,255.8
Vert La Gravelle	Paris Basin	100.00%	-	104.0	1,010.0	-	-	-	-	104.0	1,010.0	50%	-	52.0	505.0
Villeperdue	Paris Basin	100.00%	2,272.0	4,187.6	4,710.1	-	-	-	2,272.0	4,187.6	4,710.1	50%	1,136.0	2,093.8	2,355.0
Villeseneux	Paris Basin	100.00%	204.0	511.8	604.7	-	-	-	204.0	511.8	604.7	50%	102.0	255.9	302.4
Courbey	Aquitaine Basin	50.00%	1,300.0	2,150.0	3,700.0	-	-	-	1,300.0	2,150.0	3,700.0	50%	650.0	1,075.0	1,850.0
FRANCE TOTAL			7,038.4	15,988.1	24,093.2	-	-	-	7,038.4	15,988.1	24,093.2		3,519.2	7,994.1	12,046.6

Table 10. International Assets - Summary of Contingent Resource Project Information

Country and Field	Project Type	Technology	Chance of Development	Economic Sub Class	Project Maturity	Project Evaluation	Working Interest
Malaysia							
Bertam Field	Development Drilling	Established	75%	Economic	Development Unclassified	Conceptual	75%
France Paris Basin							
Amaltheus	Development Drilling, Improved Water Injection	Established	50%	not determined	Development Unclassified	Conceptual	100%
Courdemanges	Development Drilling, Improved Water Injection	Established	50%	not determined	Development Unclassified	Conceptual	100%
Dommartin Lettree	Development Drilling, Improved Water Injection	Established	50%	not determined	Development Unclassified	Conceptual	43.01%
Genievre	Improved water injection	Established	50%	not determined	Development Unclassified	Conceptual	100%
Grandville	Development Drilling	Established	50%	not determined	Development Unclassified	Conceptual	100%
Merisier	Development Drilling	Established	50%	not determined	Development Unclassified	Conceptual	100%
Soudron	Development Drilling, Improved Water Injection	Established	50%	not determined	Development Unclassified	Conceptual	100%
Vert La Gravelle	Development Drilling	Established	50%	not determined	Development Unclassified	Conceptual	100%
Villeperdue	Development Drilling, Improved Water Injection	Established	50%	not determined	Development Unclassified	Conceptual	100%
Villeseneux	Development Drilling	Established	50%	not determined	Development Unclassified	Conceptual	100%
France Aquitaine Basin							
Courbey	Development Drilling	Established	50%	not determined	Development Unclassified	Conceptual	50%

France

The contingent resource estimates reported for France relate to development drilling and waterflood optimization opportunities. In all cases, the product type is light crude oil. The risk and uncertainty associated with the contingent resources in France is largely due 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. Positive factors include opportunity to reduce capital requirements and to improve per well production performance relative to forecast. Negative factors include crude oil price risk as well as geologic and reservoir performance risk. In all cases, the contingent resources require a definitive development plan and approval of the plan to mature from contingent resources to reserves. Implicit in project approval is the demonstration of economic development scheme to recover the resources.

Malaysia

The contingent resources in Malaysia relate to the drilling of two additional infill producers which are analogous in concept to the recently executed A16 and A17 infill wells. There are spare slots on the wellhead platform to accommodate the new wells so capital requirements relate to drilling, completion, and a minor amount for surface tie-in. No material facility modifications are required to accommodate the new wells. The estimated cost is between USD 30 and 40 million for the two well campaign.

The main contingencies relate to refinement of project definition and approval of the development concept. Timing of first commercial production, should the project proceed, is expected to be in the 2019 to 2020 horizon. Positive factors include opportunity to reduce capital requirements and to improve per well production performance relative to forecast. Negative factors include crude oil price risk as well as geologic and reservoir performance risk. The total best estimate contingent resources attributed to oil drilling is 1.4 MMboe which is classed in economic sub-category. The uncertainty in this project is captured in the 1C and 3C resource range 0.8 to 1.9 MMboe. This project is considered to have a 0.75 chance of development.

A detailed development study and discounted cash flow evaluation specific to these two wells has not been undertaken, however an economic threshold sensitivity run by IPC and reviewed by ERCE is considered adequate to classify these resources as economic under economic conditions that are the same as those used for reporting reserves.

Table 11. International Assets - Summary of Prospective Resources

Prospect	Country	Gross Unrisked Prospective Resources (Mbbbl)			Working Interest (%)	Net Unrisked Prospective Resources (Mbbbl)			COS (%)	Net Risked Prospective Resources (Mbbbl)		
		Low	Mid	High		Low	Best	High		Low	Best	High
Bertam I-35	Malaysia	2,700.0	7,200.0	15,700.0	75%	2,025.0	5,400.0	11,775.0	20.2%	409.1	1,090.8	2,378.6
Bertam Extension	Malaysia	240.0	580.0	1,380.0	75%	180.0	435.0	1,035.0	35.0%	63.0	152.3	362.3

The I-35 prospective resources relate to a closure mapped in a horizon shallower than the Bertam K10.1 productive horizon. The target reservoir has been penetrated by several wells demonstrating reservoir quality however there are no clear indications of oil in the wells drilled to date. 3D seismic interpretation suggests a closure up-dip of the drilled wells indicating the potential for a hydrocarbon accumulation. Charge and closure are the two main risks with the chance of geologic success estimated at 20.2%. The prospect is in a location that could potentially be developed across the Bertam FPSO. Positive factors include the potential for a stratigraphic trapping mechanism resulting in volumes towards the high end of the estimated range. Negative factors include exploration risk and the risk of high development costs. Chance of development in a discovery scenario is considered high if the discovered volumes are in the mid to high end of the range. The product type is expected to be light crude oil.

The cost of development in a discovery scenario is estimated to be USD 50 to 100 million depending on production and injection well requirements and infrastructure modifications at the FPSO. The recovery technology would be either natural water drive or waterflood. Timing of an exploration well might be in the next 2 years resulting in first production in the next 2 to 5 years.

The Bertam extension prospective resources relate to a feature mapped on 3D seismic less than 1 km to the east of the Bertam K10.1 field limit. This feature is analogous to the productive A-15 area accumulation, which was drilled and put on production in 2016. The target reservoir has been drilled extensively in the nearby Bertam field so reservoir, seal, and source are relatively low risk. The main risks relate to oil water contact level and closure. The chance of success has been estimated at 35%. Chance of development in a discovery scenario is considered high. This prospect is within reach of the Bertam wellhead platform and production could be accommodated in the existing facilities. Positive factors include the potential for an oil water contact deeper than the Bertam field and higher than expected reservoir properties. Negative factors include the risk of finding a limited oil column to develop. The product type is expected to be light crude oil.

The cost of development in a discovery scenario is estimated to be USD 15 to 25 million depending on pilot well requirements. No major modifications to the FPSO would be required to accommodate production from this prospect. The recovery technology would be natural water drive. Timing of an exploration well might be in the next 1 to 2 years resulting in first production within months of drilling.

Part VI
IPC Aggregation of
Contingent Resource information⁴

⁴ The volumes for the Canadian Suffield assets are reported from an economic reference date of January 5, 2018, being the completion date for the acquisition of such assets by IPC.

Table 12. IPC Consolidation - Contingent Resource Detail

Working Interest Contingent Resources	Project Type	Technology	Light Crude Oil & Medium Crude Oil Mbl			Heavy Crude Oil Mbl			Conventional Natural Gas MMcft			Total Oil Equivalent Mboe			Chance of Development	Economic Sub Class	Project Maturity	Project Evaluation	Working Interest
			1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C					
Malaysia																			
Bertam Field	Development Drilling (2)	Established	828	1,380	1,932	-	-	-	-	-	-	828	1,380	1,932	75% Economic	Development Unclassified	Conceptual	75%	
France Paris Basin																			
Ariaticus	Development Drilling, Improved Water Injection	Established	202	719	1,245	-	-	-	-	-	-	202	719	1,245	50% not determined	Development Unclassified	Conceptual	100%	
Courdemanges	Development Drilling, Improved Water Injection	Established	428	1,558	2,651	-	-	-	-	-	-	428	1,558	2,651	50% not determined	Development Unclassified	Conceptual	100%	
Dommarsh Lettree	Development Drilling, Improved Water Injection	Established	521	993	1,285	-	-	-	-	-	-	521	993	1,285	50% not determined	Development Unclassified	Conceptual	43.01%	
Genieve	Improved water injection	Established	-	84	231	-	-	-	-	-	-	-	84	231	50% not determined	Development Unclassified	Conceptual	100%	
Grandville	Development Drilling	Established	111	1,499	2,093	-	-	-	-	-	-	111	1,499	2,093	50% not determined	Development Unclassified	Conceptual	100%	
Merisier	Development Drilling	Established	564	2,582	4,052	-	-	-	-	-	-	564	2,582	4,052	50% not determined	Development Unclassified	Conceptual	100%	
Soudon	Development Drilling, Improved Water Injection	Established	1,436	1,599	2,512	-	-	-	-	-	-	1,436	1,599	2,512	50% not determined	Development Unclassified	Conceptual	100%	
Vert La Gravele	Development Drilling	Established	-	104	1,010	-	-	-	-	-	-	-	104	1,010	50% not determined	Development Unclassified	Conceptual	100%	
Wisperdun	Development Drilling, Improved Water Injection	Established	2,272	4,188	4,710	-	-	-	-	-	-	2,272	4,188	4,710	50% not determined	Development Unclassified	Conceptual	100%	
Villesneux	Development Drilling	Established	204	512	605	-	-	-	-	-	-	204	512	605	50% not determined	Development Unclassified	Conceptual	100%	
France Aquitaine Basin																			
Courboy	Development Drilling	Established	1,300	2,150	3,700	-	-	-	-	-	-	1,300	2,150	3,700	50% not determined	Development Unclassified	Conceptual	50%	
Canada																			
Washover Pools																			
P3P Pool	ASP	Established	-	-	-	n/a	672	n/a	-	-	-	n/a	672	n/a	50% Sub-Economic	Development Unclassified	Conceptual	100%	
DGD Pool	ASP	Established	-	-	-	n/a	502	n/a	-	-	-	n/a	502	n/a	50% Sub-Economic	Development Unclassified	Conceptual	100%	
MM Pool	WF+ASP	Established	-	-	-	n/a	474	n/a	-	-	-	n/a	474	n/a	50% Sub-Economic	Development Unclassified	Conceptual	100%	
F3P Pool	WF+ASP	Established	-	-	-	n/a	176	n/a	-	-	-	n/a	176	n/a	50% Sub-Economic	Development Unclassified	Conceptual	100%	
OSD Pool	WF+ASP	Established	-	-	-	n/a	258	n/a	-	-	-	n/a	258	n/a	50% Sub-Economic	Development Unclassified	Conceptual	100%	
Subtotal Washover Pools			-	-	-	n/a	2,083	n/a	-	-	-	n/a	2,083	n/a					
Oil Development Drilling (117)																			
Glaucortic	Development Drilling (76)	Established	-	-	-	n/a	4,120	n/a	-	-	-	n/a	4,120	n/a	70% Economic	Development Unclassified	Conceptual	100%	
Glaucortic	Development Drilling (41)	Established	-	-	-	n/a	1,170	n/a	-	-	-	n/a	1,170	n/a	50% Sub-Economic	Development Unclassified	Conceptual	100%	
Subtotal Oil Drilling			-	-	-	n/a	5,290	n/a	-	-	-	n/a	5,290	n/a					
Gas Development Drilling (2,540)																			
Allinson	Development Drilling (470)	Established	-	-	-	-	-	-	45,355	-	-	n/a	7,559	n/a	70% Economic	Development Unclassified	Conceptual	100%	
Suffield	Development Drilling (1,061)	Established	-	-	-	-	-	-	129,237	-	-	n/a	21,540	n/a	70% Economic	Development Unclassified	Conceptual	100%	
Suffield	Development Drilling (1,009)	Established	-	-	-	-	-	-	57,140	-	-	n/a	9,523	n/a	50% Sub-Economic	Development Unclassified	Conceptual	100%	
Subtotal Gas Drilling			-	-	-	-	-	-	231,732	-	-	n/a	38,622	n/a					

Table 13. IPC Consolidation - Risked and Unrisked Contingent Resources by Country

Working Interest Contingent Resources	Light Crude Oil & Medium Crude Oil Mbl			Heavy Crude Oil Mbl			Conventional Natural Gas MMcft			Total Oil Equivalent Mboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Subtotal by Country - Unrisked												
Malaysia	828	1,380	1,932	-	-	-	-	-	-	828	1,380	1,932
France	7,038	15,988	24,093	-	-	-	-	-	-	7,038	15,988	24,093
Canada	-	-	-	-	-	-	7,373	-	-	231,732	-	45,995
IPC Total							7,373			231,732		63,363
Subtotal by Country - Risked by Chance of Development												
Malaysia	621	1,035	1,449	-	-	-	-	-	-	621	1,035	1,449
France	3,519	7,994	12,047	-	-	-	-	-	-	3,519	7,994	12,047
Canada	-	-	-	-	-	-	4,510	-	-	150,784	-	29,641
IPC Total							4,510			150,784		38,670

Note: See "Part IV Contingent Resources – Canada" and "Part V Contingent and Prospective Resources – International" for additional information.

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.

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: our belief that our resource base will provide feedstock to add to reserves in the future; the ability of our high quality portfolio of assets to provide a solid foundation for organic and inorganic growth; the organic growth opportunities in France; results of infill drilling in Malaysia; results of 3D seismic survey in France; future development potential of the Suffield operations; estimates of reserves; estimates of contingent resources; estimates of prospective resources; future production levels; future drilling and other exploration and development activities. Statements relating to "reserves" and "contingent resources" and "prospective 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 and exchange rate fluctuations; interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; the ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties and environmental 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 management's discussion and analysis (MD&A) for the three months and year ended December 31, 2017 (See "Cautionary Statement Regarding Forward-Looking Information" therein), the Corporation's Non-Offering Prospectus dated April 17, 2017 (See "Risk Factors" and "Forward-Looking Information" therein) and other reports on file with applicable securities regulatory authorities, which may be accessed through the SEDAR website (www.sedar.com) or IPC's website (www.international-petroleum.com).

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. Unless otherwise indicated, reserves / resource volumes are presented on a gross basis.

Reserve estimates, contingent resource estimates, prospective resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in France, Malaysia and the Netherlands are effective as of December 31, 2017 and were prepared by IPC and audited by ERC Equipoise Ltd. (ERCE), an independent qualified reserves auditor, 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 McDaniel's January 1, 2018 price forecasts.

Reserves 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, 2017 and were evaluated by McDaniel, an independent qualified reserves evaluator, in accordance with NI 51-101 and the COGE Handbook, and using McDaniel's January 1, 2018 price forecasts. The volumes are reported from an economic reference date of January 5, 2018, being the completion date for the acquisition of these assets by IPC.

The price forecasts used in the reserve audit / evaluation are available on the website of McDaniel (www.mcdan.com), and are contained in table 1 of this document.

Light and medium crude oil reserves / resources disclosed in this document include solution gas and other by-products.

"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. "Possible reserves" are those reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

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 development unclarified. 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. Of the Corporation's 63.4 MMboe best estimate contingent resources (unrisked), 17.4 MMboe are light and medium crude oil, 7.4 MMboe are heavy crude oil and 38.6 MMboe are conventional natural gas.

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.

Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Chance of discovery is the estimated probability that exploration activities will confirm the existence of a significant accumulation of potentially recoverable petroleum. There is no certainty that any portion of the prospective resources estimated in the report audited by ERCE and summarized in this document will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources audited. Estimates of the prospective resources should be regarded only as estimates that may change as additional information becomes available. Not only are such prospective resources estimates based on that information which is currently available, but such estimates are also subject to uncertainties inherent in the application of judgmental factors in interpreting such information. Prospective resources should not be confused with those quantities that are associated with contingent resources or reserves due to the additional risks involved. Because of the uncertainty of commerciality and the lack of sufficient exploration drilling, the prospective resources estimated in the report audited by ERCE and summarized in this document cannot be classified as contingent resources or reserves. The quantities that might actually be recovered, should they be discovered and developed, may differ significantly from the estimates in the report audited by ERCE and summarized in this document.

Reserves, contingent resources and prospective resources audited by ERCE and evaluated by McDaniel, as applicable, have been aggregated in this document 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 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, 2017, which will be filed on SEDAR (accessible at www.sedar.com) on or before March 31, 2018.

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

Currency

All dollar amounts in this 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 2017 Year-End Financial Results and 2018 Budget, Production and Resource Guidance

International Petroleum Corporation (IPC or the Corporation) (TSX, Nasdaq First North: IPCO) today released its financial and operating results and related management's discussion and analysis (MD&A) for the three months and year ended December 31, 2017. ⁽¹⁾ IPC is also pleased to announce its 2018 capital expenditure budget of USD 32 million and its 2018 production guidance of between 30,000 and 34,000 barrels of oil equivalent (boe) per day (boepd). Year-end reserves and contingent resources more than quadrupled and tripled respectively to 129.1 million boe (MMboe) and 63.4 MMboe, after giving effect to the Suffield acquisition in Canada. ⁽²⁾

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

"We are very pleased to announce our year-end results for 2017. Since IPC's listing in April 2017, we have made excellent progress on all of our strategic goals of delivering operational excellence, demonstrating financial resilience, maximizing the value of our resource base and targeting value-driven growth through acquisition.

Now we look ahead to 2018 and beyond as we continue implementing our strategies to build long-term shareholder value.

2017 Year-End Results

During the fourth quarter of 2017, all of our assets continued to perform well with production of 9,952 boepd and full-year 2017 production of 10,307 boepd, three percent ahead of mid-point guidance. Lower than forecast operating costs have allowed us to deliver full year operating costs of USD 16.1 per boe, 14 percent below our guidance.

We delivered a robust financial performance during 2017 with IPC's assets generating significant operating cash flow of USD 138 million. This allowed IPC to pay down the credit facility put in place to fund the purchase of 25.5 million IPC common shares under the share purchase offer in the second quarter of 2017. By the end 2017, IPC was in a net cash position of USD 6 million, excluding the CAD 40 million (USD 32.6 million) deposit for the Suffield acquisition in Canada (net debt of USD 26 million including the deposit).

In September 2017, IPC announced the transformational acquisition of the Suffield and Alderson conventional oil and gas assets in southern Alberta, Canada. All regulatory approvals were received in December 2017 and the transaction was successfully completed on January 5, 2018. These assets provide IPC with further low-decline production and upside development potential, in a stable jurisdiction. IPC also acquired an experienced operating team for these assets, with the skills and knowledge of the North American oil and gas market to review future potential growth opportunities.

IPC also continued to add value to its resource base in France, Malaysia and the Netherlands. IPC recently acquired a 3D seismic survey in the Villeperdue field in France which was completed in October 2017, on schedule and on budget. The two infill wells on the Bertam field in Malaysia were drilled and completed successfully, with production coming on-stream in January and February 2018. Both wells encountered good reservoir quality with production rates in line with expectations.

As at end December 2017, IPC's proved and probable (2P) reserves more than quadrupled to 129.1 MMboe, including the Suffield acquisition in Canada. This includes a reserves replacement ratio of 76 percent ⁽³⁾ for the non-Canadian assets and follows the maturation of contingent resources from the infill drilling program in Malaysia and upgrades in France and the Netherlands.

In addition, IPC has more than tripled its best estimate contingent resources as at end December 2017 to 63.4 MMboe (unrisked), including the Suffield acquisition in Canada. We are confident that we have a solid resource base in place to provide the feedstock to add to reserves in the future.

Based on third party reserves reports, the net present value (NPV) ⁽⁴⁾ of IPC's 2P reserves as at December 31, 2017 (including the Suffield acquisition in Canada) was USD 1,151 million. Net debt following the completion of the Canadian acquisition on January 5, 2018 was USD 355 million. ⁽⁵⁾ IPC's net asset value (NAV) ⁽⁶⁾ following completion of the Canadian acquisition was USD 796 million, representing an increase of 47 percent from December 31, 2016. Following the share purchase offer completed in 2017, IPC has increased its NAV per share ⁽⁷⁾ from USD 4.8 to USD 9.1, representing an 89 percent increase.

Notes:

- (1) IPC's financial statements and MD&A for the three months and year ended December 31, 2017 are available on IPC's website at www.international-petroleum.com and 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 2P reserves, contingent resources and estimates of future net revenue, including assumptions relating to the calculation of NPV, are further described in the material change report (MCR) filed on the date of this press release by IPC and available under IPC's profile on www.sedar.com and on IPC's website at www.international-petroleum.com.
- (3) Reserves replacement ratio is based on 2P reserves of 29.4 MMboe as at December 31, 2016, production during 2017 of 3.7 MMboe, additions to 2P reserves during 2017 of 2.8 MMboe and 2P reserves of 28.5 MMboe as at December 31, 2017. Such figures do not include the reserves attributable to the Suffield acquisition in Canada which completed on January 5, 2018.
- (4) NPV is after tax, discounted at 8% and based upon the forecast prices and other assumptions further described in the MCR.
- (5) Net debt as at January 5, 2018 is calculated as USD 26 million of net debt at December 31, 2017 plus USD 329 million (being the aggregate drawdown under the credit facilities in connection with the completion of the Suffield acquisition on January 5, 2018).
- (6) NAV is calculated as NPV less net debt.
- (7) NAV per share is based on the number of IPC common shares outstanding prior to and following the completion of the share purchase offer, being respectively 113,462,148 and 87,921,846.

2018 Budget and Production Guidance

We are pleased to announce our 2018 production guidance is 30,000 to 34,000 boepd, with operating costs for 2018 forecast to be USD 12.6 per boe.

Our 2018 capital expenditure budget is USD 32 million, primarily targeting production growth in Canada and Malaysia. We have allocated approximately USD 11 million to oil drilling in Suffield and approximately USD 14 million as carry-over costs related to the 2017-2018 infill drilling campaign in Malaysia, with the remainder on continued project, maintenance and optimization activities in France and the Netherlands. These expenditures in 2018 are expected to provide a strong base for further development and growth activities in 2019 and beyond.

Further details regarding IPC's 2018 budget and work program will be provided at IPC's Capital Markets Day presentation to be held on February 26, 2018 at 14:00 (CET). A copy of the Capital Markets Day presentation will be available on IPC's website at www.international-petroleum.com."

Financial and Operational Highlights

- Total average net production of 9,952 boepd for the fourth quarter of 2017 and 10,307 boepd for the full year 2017.
- 2018 production guidance of 30,000 to 34,000 boepd.
- Operating costs per boe 14 percent below guidance at USD 16.1 for the full year 2017.
- 2018 operating cost guidance at USD 12.6 per boe.
- More than quadrupled 2P reserves to 129.1 MMboe and more than tripled best estimate contingent resources (unrisked) to 63.4 MMboe as at December 31, 2017, taking into account the Suffield acquisition in Canada.
- 2018 capital expenditure budget of USD 32 million.
- Completed the purchase of the Suffield conventional oil and natural gas assets in southern Alberta, Canada on January 5, 2018.
- Completed 3D seismic acquisition in the Villeperdue field (France) and the drilling of two infill wells in the Bertam field (Malaysia).
- Application made for permanent flagging status for the Bertam FPSO (Malaysia), awaiting final regulatory approval.
- No material health, safety and environment incidents during 2017 and year to date in 2018.

USD Thousands	Three months ended		Year ended	
	December 31		December 31	
	2017	2016	2017	2016
Revenue	54,647	59,592	203,001	209,880
Gross profit/(loss)	13,471	(114,600)	48,758	(105,639)
Net result	8,977	(76,097)	22,723	(95,720)
Operating cash flow	37,156	42,083	138,368	152,924
EBITDA	33,383	41,126	129,259	150,043
Net debt	26,321	(13,410)	26,321	(13,410)

International Petroleum Corp. (IPC) is an international oil and gas exploration and production company with a high quality portfolio of assets located in Canada, Europe and South East Asia, providing a solid foundation for organic and inorganic growth. IPC is a member of the Lundin Group of Companies. IPC is incorporated in Canada and IPC's shares are listed on the Toronto Stock Exchange (TSX) and the Nasdaq First North Exchange (Stockholm) under the symbol "IPCO". Pareto Securities AB is the Corporation's Certified Adviser on Nasdaq First North.

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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 26, 2018. The Corporation's audited consolidated financial statements and management's discussion and analysis (MD&A) 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.

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: our intention to continue to implement our strategies to build long-term shareholder value; the benefits of the Suffield acquisition; IPC's intention to review future potential growth opportunities; our belief that our resource base will provide feedstock to add to reserves in the future; the ability of our high quality portfolio of assets to provide a solid foundation for organic and inorganic growth; the integration of the Suffield-related operations into IPC; potential future growth opportunities in North America; organic growth opportunities in France; results of infill drilling in Malaysia; results of 3D seismic survey in France; future development potential of the Suffield operations; the expectation that the anticipated 2018 capital expenditures will provide future development and growth opportunities in 2019 and beyond; status of the submission for permanent flagging status in Malaysia; potential acquisition opportunities; estimates of reserves; estimates of contingent resources; future production levels including 2018 production guidance; 2018 operating cost forecast; 2018 capital expenditure budget including future capital expenditures and their allocation to exploration and development activities; 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 and exchange rate fluctuations; interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; the ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties and environmental 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 Non-Offering Prospectus dated April 17, 2017 (See "Risk Factors" and "Forward-Looking Information" therein) and other reports on file with applicable securities regulatory authorities, which may be accessed through the SEDAR website (www.sedar.com) or IPC's website (www.international-petroleum.com).

Non-IFRS Measures

References are made in this press release to "operating cash flow" (OCF), "Earnings Before Interest, Tax, Depreciation and Amortization" (EBITDA), "operating costs" and "net debt"/"net cash", which are not generally accepted accounting measures under International Financial Reporting Standards (IFRS) and do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable with definitions of OCF, EBITDA, operating costs and net debt/net cash that may be used by other public companies. Non-IFRS measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.

Management believes that OCF, EBITDA, operating costs and net debt/net cash are useful supplemental measures that may assist shareholders and investors in assessing 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.

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. 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 France, Malaysia and the Netherlands are effective as of December 31, 2017 and were prepared by IPC and audited by ERC Equipoise Ltd. (ERCE), an independent qualified reserves auditor, 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 McDaniel's January 1, 2018 price forecasts as referred to below.

Reserves 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 January 5, 2018, being the completion date for the acquisition of this assets by IPC, and were evaluated by McDaniel & Associates Consultants Ltd. (McDaniel), an independent qualified reserves evaluator, in accordance with NI 51-101 and the COGE Handbook, and using McDaniel's January 1, 2018 price forecasts. The volumes are reported and aggregated by IPC in this press release as being as at December 31, 2017.

The price forecasts used in the reserve audit / evaluation are available on the website of McDaniel (www.mcdan.com), and are contained in the MCR referred to below.

"2P reserves" means IPC's gross 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.

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 development unclarified. 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. Of the Corporation's 63.4 MMboe best estimate contingent resources (unrisked), 17.4 MMboe are light and medium crude oil, 7.4 MMboe are heavy crude oil and 38.6 MMboe are conventional natural gas.

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.

2P reserves and contingent resources audited by ERCE and evaluated by McDaniel have been aggregated in this press release 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 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, 2017, which will be filed on SEDAR (accessible at www.sedar.com) on or before March 31, 2018. 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 material change report (MCR) dated and filed on the date of this press release by IPC and 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.

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.