

International Petroleum Corporation Announces 2025 Year-End Financial and Operational Results and 2026 Budget, Reserves and 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 three months and year ended December 31, 2025. IPC is also pleased to announce its 2026 budget, with the focus on finalizing the development of the Blackrod Phase 1 project in Canada. As previously announced, IPC achieved first steam injection at the Blackrod Phase 1 project in December 2025 and continues to forecast first oil in Q3 2026, a quarter earlier than originally guided. IPC's 2026 capital and decommissioning expenditure budget is USD 122 million and its 2026 average daily production guidance is between 44,000 and 47,000 barrels of oil equivalent (boe) per day (boepd). 2025 year-end proved plus probable (2P) reserves are 521 million boe (MMboe) and best estimate contingent resources (unrisked) are 1,224 MMboe.⁽¹⁾⁽²⁾

William Lundin, IPC's President and Chief Executive Officer, comments: "We are pleased to announce another year of strong production performance and operational results for IPC in 2025. Our average net production was 44,900 boepd for the full year, at the high end of the guidance range announced at our February 2025 Capital Markets Day. 2025 was the final major spend year for our Blackrod Phase 1 development, and we have now substantially completed construction activities with commissioning ongoing at the central processing facility (CPF). The initial set of wells are undergoing steam circulation and we continue to forecast first oil in Q3 2026. We generated strong cash flows from our business in 2025 even in light of weaker oil and gas prices, and we returned USD 100 million to shareholders through share buybacks in 2025. We were very pleased to increase and extend our Canadian revolving credit facility in Q2 2025 and to refinance our USD 450 million of Bonds in Q4 2025.⁽¹⁾⁽³⁾

As the transformational Blackrod Phase 1 development transitions to its progressive start-up plan, 2026 marks an inflection point year for the company as we fast approach the start of significant cash flow generation from the asset. IPC forecasts USD 1 to 2 billion dollars in free cash flow generation from 2026 to 2030 at Brent USD 65 to 85 per barrel. With less shares outstanding compared to that at the formation of the company back in 2017 and a 2P reserves life index of 31 years, IPC remains strongly positioned to create long term shareholder value through prudent capital allocation towards our three key strategic pillars of Organic growth, Stakeholder Returns, and M&A that drive value creation for our stakeholders.⁽¹⁾⁽²⁾⁽⁷⁾"

2025 Business Highlights

- Average net production of approximately 45,600 boepd for the fourth quarter of 2025 was in line with the guidance range for the period (52% heavy crude oil, 15% light and medium crude oil and 33% natural gas).⁽¹⁾
- Full year 2025 average net production was 44,900 boepd, at the high end of the 2025 annual guidance of 43,000 to 45,000 boepd.⁽¹⁾
- Development activities on Phase 1 of the Blackrod project progressed in 2025 ahead of schedule and on budget, with first steam injection achieved in Q4 2025 and forecast first oil in Q3 2026.
- Completed the acquisition of lands adjacent to the Blackrod project, adding 64 MMboe of contingent resources (best estimate, unrisked).⁽¹⁾⁽²⁾
- At Onion Lake Thermal, Canada, four production infill wells and the final Pad L sustaining well pair were brought online by Q3 2025.
- Successfully completed the drilling and workover program at the Bertam Field, Malaysia during Q3 2025.
- 7.7 million IPC common shares purchased and cancelled from December 2024 to early December 2025.
- In Q3 2025, published IPC's sixth annual Sustainability Report.

2025 Financial Highlights

- Operating costs per boe of USD 18.4 for the fourth quarter of 2025 and USD 17.8 for the full year, below the low end of the 2025 guidance of USD 18.0 to 19.0 per boe.⁽³⁾
- Strong operating cash flow (OCF) generation for the fourth quarter and full year 2025 amounted to MUSD 63 and MUSD 259, respectively.⁽³⁾
- Capital and decommissioning expenditures of MUSD 63 for the fourth quarter and MUSD 344 for the full year 2025, in line with the latest full year guidance.
- Free cash flow (FCF) generation for the full year 2025 of negative MUSD 153, with negative MUSD 29 for the fourth quarter in line with expectations. FCF for the full year 2025, before 2025 Blackrod capital expenditure of MUSD 256, was MUSD 103.⁽³⁾
- Net debt of MUSD 484 as at December 31, 2025.⁽³⁾
- Net result of negative MUSD 5 for the fourth quarter of 2025 and positive MUSD 29 for the full year 2025.
- Amended and extended IPC's MCAD 250 revolving credit facility in Q2 2025, extending the maturity to May 2027.
- Refinanced IPC's MUSD 450 unsecured bonds in Q4 2025, extending the maturity to October 2030.

Reserves and Resources

- Total 2P reserves as at December 31, 2025 of 521 MMboe, with a reserve life index (RLI) of 31 years and a reserves replacement ratio of 277%.⁽¹⁾⁽²⁾
- Proved developed producing (PDP) reserves increase of 28% from year-end 2024 to year-end 2025 to 125 MMboe, primarily driven from Blackrod Phase 1.⁽¹⁾⁽²⁾
- Contingent resources (best estimate, unrisked) as at December 31, 2025 of 1,224 MMboe.⁽¹⁾⁽²⁾

2026 Annual Guidance

- Full year 2026 average net production forecast at 44,000 to 47,000 boepd.⁽¹⁾
- Full year 2026 operating costs forecast at USD 18 to 20 per boe.⁽³⁾
- Full year 2026 OCF estimated at between MUSD 100 and 250 (assuming Brent USD 55 to 75 per barrel).⁽³⁾
- Full year 2026 capital and decommissioning expenditures guidance forecast at MUSD 122.
- Full year 2026 forecast FCF ranges from approximately negative MUSD 70 to positive MUSD 85 (assuming Brent USD 55 to 75 per barrel).⁽³⁾

Current Business Plan FCF Forecasts

- Cumulative forecast FCF of approximately MUSD 1,000 to 2,000 over the period of 2026 to 2030 and approximately MUSD 700 to 1,600 over the period of 2031 to 2035 (assuming Brent USD 65 to 85 per barrel).⁽³⁾⁽⁷⁾

USD Thousands	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
Revenue	176,207	199,124	685,888	797,783
Gross profit	28,242	42,774	128,120	210,171
Net result	(4,941)	415	28,942	102,219
Operating cash flow ⁽³⁾	63,138	78,158	258,903	341,989
Free cash flow ⁽³⁾	(28,627)	(61,476)	(153,134)	(135,497)
EBITDA ⁽³⁾	58,966	76,184	243,537	335,488
Net cash / (debt) ⁽³⁾	(483,615)	(208,528)	(483,615)	(208,528)

International Petroleum Corporation is an entrepreneurially driven company that seeks to maximise shareholder value through responsible business operations and accretive growth. IPC started in 2017 with 113.5 million common shares outstanding and a debt-free portfolio of high-quality producing assets in Malaysia, France and the Netherlands, hosting combined 2P reserves of 29 MMboe, production of 10 Mboepd, a reserve life index of 8 years and a NPV10 of USD 0.5 billion.

This platform acted as a springboard for IPC to carry out countercyclical strategic moves including building a position in Canada through acquisitions and sanctioning a major Steam Assisted Gravity Drainage (SAGD) greenfield development project. The decisive moves undertaken by the company have been grounded by taking a long-term view and increasing exposure to oil. We are very pleased to see the positive market recognition in Canadian E&Ps, validating the bold decisions made to enter and grow in the jurisdiction given the vast resource and favourable fiscal terms.

As IPC enters its tenth year of existence in 2026, excluding the Blackrod Phase 1 growth capital expenditures, over USD 1.6 billion in free cash flow (FCF) has been generated and our current common shares outstanding is less than the starting amount at approximately 112.2 million shares. Current 2P reserves are 18 times higher standing at 521 MMboe and contingent resources (best estimate, unrisked) have grown from 0 MMboe in 2017 to now greater than 1,200 MMboe. Our reserve life index is four times higher at 31 years based on our 2026 mid-point production guidance of 45.5 Mboepd. Production is expected to grow to greater than 65 Mboepd by 2028 which underpins material FCF per share growth in the years ahead.⁽¹⁾⁽²⁾⁽³⁾

Oil prices in 2025 ranged from Brent USD 59 to 77 per barrel, with a full year Brent averaging USD 69 per barrel compared to USD 81 per barrel averaged over the previous year 2024. The fourth quarter 2025 Brent price averaged USD 64 per barrel. The volatility in benchmark oil prices during 2025 was largely due to changing US economic and tariff policies and the corresponding potential effects on global economic growth, continuing geopolitical conflicts, and concerns regarding oil oversupply including from releases of OPEC production curtailments. IPC believes that these short-term uncertainties will lead to underinvestment in the industry, which combined with continued projected record breaking annual global oil demand into 2026 and beyond, should have a positive effect on oil prices at a time when IPC is ramping up Blackrod Phase 1 production.

IPC has hedged 1,500 barrels per day of forecast 2026 oil production at around USD 67 per barrel for Dated Brent and 7,500 barrels per day of forecast 2026 oil production at around USD 61.5 per barrel for West Texas Intermediate (WTI).

The fourth quarter 2025 WTI to Western Canadian Select (WCS) price differential averaged USD 11 per barrel, in line with the full year 2025 average. The WTI to WCS differential continues to benefit from the TMX pipeline expansion, driving up competitive tension for Canadian oil and increased buying from Asia. The outlook of the WTI to WCS differential remains tight with excess egress capacity relative to the supply in the Western Canadian Sedimentary Basin (WCSB), balanced against the potential of Venezuelan heavy oil barrels to the US Gulf Coast PADD III refineries. There are currently no tariffs on Canadian crude oil exports to the United States, which remain covered by the US Mexico Canada trade agreement. For 2026, IPC has implemented WTI to WCS differential hedges for 5,000 barrels per day at USD -12.50 per barrel.

The average Canadian gas benchmark price, AECO, was CAD 2.16 per Mcf for the fourth quarter of 2025 and CAD 1.63 for the full year 2025. WCSB gas inventory levels remain elevated above the historical average. There is an expectation for storage levels to draw during the winter period, with very cold weather experienced in North America in early 2026 and further supported by the ramp up of the LNG Canada project in 2026 which should drive higher natural gas prices in Canada. IPC has implemented hedges for 15,000 GJ per day at CAD 2.73 per GJ for 2026 from April to October 2026.

Fourth Quarter and Full Year 2025 Highlights

During the fourth quarter of 2025, IPC's assets delivered average net production of 45,600 boepd, in line with guidance for the quarter. Full year 2025 average net production of 44,900 boepd was the high end of the 2025 guidance range of 43,000 to 45,000 boepd.⁽¹⁾

IPC's operating costs per boe for the fourth quarter of 2025 was USD 18.4. Full year 2025 operating costs per boe was USD 17.8, below the low end of the 2025 annual guidance of USD 18.0 to 19.0 per boe.⁽³⁾

Operating cash flow (OCF) generation for the fourth quarter of 2025 was USD 63 million. Full year 2025 OCF was USD 259 million above the most recent Q3 2025 guidance of USD 245 to 255 million.⁽³⁾

Capital and decommissioning expenditure for the fourth quarter of 2025 was USD 63 million. Full year 2025 capital and decommissioning expenditure of USD 344 million was in line with latest guidance of USD 340 million.

Free cash flow (FCF) generation was in line with guidance at negative USD 29 million during the fourth quarter of 2025. Full year 2025 FCF generation was negative USD 153 million, better than the most recent guidance of negative USD 160 to 170 million.⁽³⁾

As at December 31, 2025, IPC's net debt position was USD 484 million. IPC prudently refinanced its USD 450 million of unsecured bonds in Q4 2025, extending maturity to October 2030. IPC also has access to a revolving credit facility of CAD 250 million, with approximately CAD 200 million undrawn as at the end of 2025.⁽³⁾

Blackrod

The Blackrod asset is 100% owned by IPC and hosts the largest booked reserves and contingent resources within the IPC portfolio. After more than a decade of pilot operations, subsurface delineation and commercial engineering studies, IPC sanctioned the Phase 1 SAGD development in the first quarter of 2023. The Phase 1 development targets 311 MMboe of 2P reserves, with a multi-year forecast capital expenditure of USD 850 million to first oil planned in Q3 2026. The Phase 1 development is planned for plateau production of 30,000 bopd which is expected by the end of 2027.⁽¹⁾⁽²⁾

As previously announced, IPC achieved first steam at the Blackrod Phase 1 project in December 2025, a quarter earlier than originally guided. By the end of 2025, USD 820 million of cumulative growth capital has been spent on the Blackrod Phase 1 development since sanction. Construction is nearing completion at the central processing facility (CPF), commissioning activities are ongoing, and drilling plus completions continue to track favourably. Site health and safety control has been excellent with no material safety incidents since commercial development activities commenced.

Approximately USD 30 million of growth capital budget remains to reach first oil at Blackrod Phase 1 in 2026. IPC is well-positioned to deliver in line with the multi-year budget of USD 850 million to first oil. The total growth capital expenditure comprises the total installed costs for the facilities and associated 40 well pairs needed to fill the plant capacity of 30,000 bopd and has remained unchanged since the time of sanction in 2023.⁽¹⁾

The remaining capital expenditure planned to be spent at Blackrod in 2026 of approximately USD 60 million includes acceleration of sustaining capital, taking advantage of economies of scale and the positive momentum seen by the drilling rig at site, capitalised operations for the operating costs incurred prior to first oil, and resource maturation works.

Blackrod realised a material uplift in recoverable resource through 2025 through a combination of favourable drilling results within and outside of the initial development area and further supplemented by acquiring adjacent lands with 64 MMboe of contingent resources (best estimate, unrisked). The 2P reserves attributable to Phase 1 has increased by 52 MMboe to 311 MMboe from year-end 2024 to year-end 2025. The contingent resources (best estimate, unrisked) attributed to the Blackrod asset realised a net increase of 117 MMboe to 1,142 MMboe.⁽¹⁾⁽²⁾

Stakeholder Returns: Normal Course Issuer Bid

During the period of December 5, 2024 to December 4, 2025, IPC purchased and cancelled an aggregate of approximately 7.7 million common shares under the 2024/2025 NCIB and certain other exemptions in Canada. The average price of shares purchased under the 2024/2025 NCIB was SEK 144 / CAD 20 per share.

Since inception, IPC has returned over USD 600 million in shareholder returns in the form of share buybacks, cancelling over 77 million common shares at an aggregate average share price of around SEK 79 / CAD 11 per share. Since 2022, more than 27% of the shares outstanding have been repurchased and cancelled.

In Q4 2025, IPC announced the renewal of the NCIB, with the ability to repurchase up to approximately 6.5 million common shares over the period of December 5, 2025 to December 4, 2026. IPC remains focused on progressing the Blackrod Phase 1 development project first oil and will continue to monitor commodity prices in 2026 before acquiring IPC common shares under the current NCIB.

As at December 31, 2025 and February 10, 2026, IPC had a total of 112,155,527 common shares issued and outstanding and IPC holds no common shares in treasury.

Environmental, Social and Governance (ESG) Performance

As part of IPC's commitment to operational excellence and responsible development, IPC's objective is to reduce risk and eliminate hazards to prevent occurrence of accidents, ill health, and environmental damage, as these are essential to the success of our business operations. During the fourth quarter and for the full year 2025, IPC recorded no material safety or environmental incidents.

As previously announced, IPC targeted a reduction of our net GHG emissions intensity by the end of 2025 to 50% of IPC's 2019 baseline and IPC is on track to achieve this reduction for 2025 net GHG emissions intensity. IPC is committed to remain at end 2025 levels of 20 kg CO₂/boe through to the end of 2028.⁽⁴⁾

Reserves, Resources and Value

As at the end of December 2025, IPC's 2P reserves are 521 MMboe. During 2025, IPC replaced 277% of the annual 2025 production. The reserve life index (RLI) as at December 31, 2025, is approximately 31 years.⁽¹⁾⁽²⁾

The net present value (NPV) of IPC's 2P reserves as at December 31, 2025 was around USD 2.7 billion. The net asset value (NAV) of IPC's 2P reserves as at December 31, 2025 was around USD 2.2 billion. Based on IPC's current business plans, the cumulative forecast FCF is approximately MUSD 1,000 to 2,000 over the period of 2026 to 2030 and approximately MUSD 700 to 1,600 over the period of 2031 to 2035 (assuming Brent USD 65 to 85 per barrel).⁽¹⁾⁽²⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾

In addition, IPC's best estimate contingent resources (unrisked) as at December 31, 2025 are 1,224 MMboe, of which 1,142 MMboe relate to future potential phases of the Blackrod project.⁽¹⁾⁽²⁾

2026 Budget and Operational Guidance

IPC is pleased to announce its 2026 average net production guidance is 44,000 to 47,000 boepd. IPC forecasts operating costs for 2026 between USD 18 and 20 per boe.⁽¹⁾⁽³⁾

IPC's 2026 capital and decommissioning expenditure budget is USD 122 million, with USD 90 million forecast relating to Blackrod capital expenditure. The remainder of the 2026 budget relates mainly to routine maintenance and ongoing optimization work at the other producing assets. In all of IPC's areas of operation, IPC has significant flexibility to control its pace of spend based on the development of commodity prices during 2026.

Further details regarding IPC's proposed 2026 budget and operational guidance will be provided at IPC's Capital Markets Day presentation to be held on February 10, 2026 at 15:00 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 "Reserves and Resources Advisory" 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.sedarplus.ca.
- (2) See "Reserves and Resources Advisory" below. Further information with respect to IPC's reserves, contingent resources and estimates of future net revenue, including assumptions relating to the calculation of NPV, are described in the MCR. The reserve life index (RLI) is calculated by dividing the 2P reserves of 521 MMboe as at December 31, 2025 by the mid-point of the 2026 CMD production guidance of 44,000 to 47,000 boepd. Reserves replacement ratio is based on 2P reserves of 493 MMboe as at December 31, 2024, sales production during 2025 of 15.7 MMboe, net additions to 2P reserves during 2025 of 43.4 MMboe, and 2P reserves of 521 MMboe as at December 31, 2025.
- (3) Non-IFRS measure, see "Non-IFRS Measures" below and in the MD&A.
- (4) Emissions intensity is the ratio between oil and gas production and the associated carbon emissions, and net emissions intensity reflects gross emissions less operational emission reductions and carbon offsets.
- (5) Net present value (NPV) is after tax, discounted at 10% and based upon the forecast prices and other assumptions further described in the MCR. See "Reserves and Resources Advisory" below.
- (6) Net asset value (NAV) is calculated as NPV less net debt of USD 484 million as at December 31, 2025.
- (7) Estimated FCF generation is based on IPC's current business plans over the periods of 2026 to 2030 and 2031 to 2035, including net debt of USD 484 million as at December 31, 2025, with assumptions based on the reports of IPC's independent reserves evaluator and auditor, and including certain corporate adjustments relating to estimated general and administration costs and hedging, and excluding shareholder distributions and certain refinancing costs. Assumptions include average net production of approximately 62 Mboepd over the period of 2026 to 2030, average capital expenditures of approximately USD 5 per boe, average operating costs of approximately USD 18 to 20 per boe, average Brent oil prices of USD 65 to 85 per bbl escalating by 2% per year, and average Brent to Western Canadian Select differentials and average gas prices as estimated by IPC's independent reserves evaluator and auditor and as further described in the MCR. Estimated FCF generation at Brent oil prices of USD 95 per barrel escalating by 2% per year, based on the same assumptions set out above, are approximately MUSD 2,500 and 2,100 for the same periods, respectively. IPC's market capitalization is at close on February 2, 2026 (USD 2,277 million based on 182 SEK/share, 112.2 million IPC shares outstanding and exchange rate of 8.97 SEK/USD). 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" and "Non-IFRS Measures" 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".

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Or

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 10, 2026. The Corporation's audited condensed consolidated financial statements (Financial Statements) and management's discussion and analysis (MD&A) for the three months and year ended December 31, 2025 have been filed on SEDAR+ (www.sedarplus.ca) and are also available on the Corporation's website (www.international-petroleum.com).

Forward-Looking Statements

This press release contains statements and information which constitute "forward-looking statements" or "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including the Corporation's future performance, business prospects or opportunities. Actual results may differ materially from those expressed or implied by forward-looking statements. The forward-looking statements contained in this press release are expressly qualified by this cautionary statement. Forward-looking statements speak only as of the date of this press release, unless otherwise indicated. IPC does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws.

All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, forecasts, guidance, budgets, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "forecast", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "budget" and similar expressions) are not statements of historical fact and may be "forward-looking statements".

Forward-looking statements include, but are not limited to, statements with respect to:

- 2026 production ranges (including total daily average production), production composition, cash flows, operating costs and capital and decommissioning expenditure estimates;
- Estimates of future production, cash flows, operating costs and capital expenditures that are based on IPC's current business plans and assumptions regarding the business environment, which are subject to change;
- IPC's financial and operational flexibility to navigate the Corporation through periods of volatile commodity prices;
- The ability to fully fund future expenditures from cash flows and current borrowing capacity;
- IPC's intention and ability to continue to implement its strategies to build long-term shareholder value;
- The ability of IPC's portfolio of assets to provide a solid foundation for organic and inorganic growth;
- The continued facility uptime and reservoir performance in IPC's areas of operation;
- Development of the Blackrod project in Canada, including estimates of resource volumes, future production, timing, regulatory approvals, third party commercial arrangements, breakeven oil prices and net present values;
- Current and future production performance, operations and development potential of the Onion Lake Thermal, Suffield, Brooks, Ferguson and Mooney operations, including the timing and success of future oil and gas drilling and optimization programs;
- The potential improvement in the Canadian oil egress situation and IPC's ability to benefit from any such improvements;
- The ability of IPC to achieve and maintain current and forecast production in France and Malaysia;
- The intention and ability of IPC to acquire common shares under the NCIB, including the timing of any such purchases;
- The return of value to IPC's shareholders as a result of the NCIB;
- IPC's ability to implement its greenhouse gas (GHG) emissions intensity and climate strategies and to achieve its net GHG emissions intensity reduction targets;
- IPC's ability to implement projects to reduce net emissions intensity, including potential carbon capture and storage;
- Estimates of reserves and contingent resources;
- The ability to generate free cash flows and use that cash to repay debt;
- IPC's continued access to its existing credit facilities, including current financial headroom, on terms acceptable to the Corporation;
- IPC's ability to identify and complete future acquisitions;
- Expectations regarding the oil and gas industry in Canada, Malaysia and France, including assumptions regarding future royalty rates, regulatory approvals, legislative changes, and ongoing projects and their expected completion; and
- Future drilling and other exploration and development activities.

Statements relating to "reserves" and "contingent resources" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and that the reserves and resources can be profitably produced in the future. Ultimate recovery of reserves or resources is based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

The forward-looking statements are based on certain key expectations and assumptions made by IPC, including expectations and assumptions concerning: the potential impact of tariffs implemented in 2025 by the U.S. and Canadian governments and that other than the tariffs that have been implemented, neither the U.S. nor Canada (i) increases the rate or scope of such tariffs, or imposes new tariffs, on the import of goods from one country to the other, including on oil and natural gas, and/or (ii) imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas; prevailing commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve and contingent resource volumes; operating costs; our ability to maintain our existing credit ratings; our ability to achieve our performance targets; the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions and that we will be able to implement our standards, controls, procedures and

policies in respect of any acquisitions and realize the expected synergies on the anticipated timeline or at all; the benefits of acquisitions; the state of the economy and the exploration and production business in the jurisdictions in which IPC operates and globally; the availability and cost of financing, labour and services; our intention to complete share repurchases under our normal course issuer bid program, including the funding of such share repurchases, existing and future market conditions, including with respect to the price of our common shares, and compliance with respect to applicable limitations under securities laws and regulations and stock exchange policies; and the ability to market crude oil, natural gas and natural gas liquids successfully.

Although IPC believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because IPC can give no assurances that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks.

These include, but are not limited to general global economic, market and business conditions, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, resources, production, revenues, costs and expenses; health, safety and environmental risks; commodity price fluctuations; interest rate and exchange rate fluctuations; marketing and transportation; loss of markets; environmental and climate-related risks; competition; innovation and cybersecurity risks related to our systems, including our costs of addressing or mitigating such risks; the ability to attract, engage and retain skilled employees; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; the ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; geopolitical conflicts, including current and potential conflicts in Ukraine, the Middle East, South America and elsewhere and their potential impact on, among other things, global market conditions; political or economic developments, including, without limitation, the risk that (i) one or both of the U.S. and Canadian governments increases the rate or scope of tariffs implemented in 2025, or imposes new tariffs on the import of goods from one country to the other, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed by the U.S. on other countries and responses thereto could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Corporation; and changes in legislation, including but not limited to tax laws, royalties, environmental and abandonment regulations.

Additional information on these and other factors that could affect IPC, or its operations or financial results, are included in the Financial Statements, the MD&A (See "Risk Factors", "Cautionary Statement Regarding Forward-Looking Information" and "Reserves and Resources Advisory" therein), the Corporation's material change report dated February 10, 2026 (MCR), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2024 (See "Cautionary Statement Regarding Forward-Looking Information", "Reserves and Resources Advisory" and "Risk Factors") and other reports on file with applicable securities regulatory authorities, including previous financial reports, management's discussion and analysis and material change reports, which may be accessed through the SEDAR+ website (www.sedarplus.ca) or IPC's website (www.international-petroleum.com).

Management of IPC approved the production, operating costs, operating cash flow, capital and decommissioning expenditures and free cash flow guidance and estimates contained herein as of the date of this press release. The purpose of these guidance and estimates is to assist readers in understanding IPC's expected and targeted financial results, and this information may not be appropriate for other purposes.

Estimated FCF generation is based on IPC's current business plans over the periods of 2026 to 2030 and 2031 to 2035, including net debt of USD 484 million as at December 31, 2025, with assumptions based on the reports of IPC's independent reserves evaluator and auditor, and including certain corporate adjustments relating to estimated general and administration costs and hedging, and excluding shareholder distributions and certain refinancing costs. Assumptions include average net production of approximately 62 Mboepd over the period of 2026 to 2030, average capital expenditures of approximately USD 5 per boe, average operating costs of approximately USD 18 to 20 per boe, average Brent oil prices of USD 65 to 95 per bbl escalating by 2% per year, and average Brent to Western Canadian Select differentials and average gas prices as estimated by IPC's independent reserves evaluator and auditor and as further described in the MCR. IPC's current business plans and assumptions, and the business environment, are subject to change. Actual results may differ materially from forward-looking estimates and forecasts.

Non-IFRS Measures

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

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

Operating cash flow

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

USD Thousands	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
Revenue	176,207	199,124	685,888	797,783
Production costs and net sales of diluent to third party ¹	(113,814)	(119,371)	(426,976)	(447,481)
Current tax	745	(1,595)	(9)	(8,313)
Operating cash flow	63,138	78,158	258,903	341,999

¹ Include net sales of diluent to third party amounting to USD 137 thousand for the fourth quarter of 2025 and USD 647 thousand for the year ended December 31, 2025.

Free cash flow

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

USD Thousands	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
Operating cash flow - see above	63,138	78,158	258,903	341,989
Capital expenditures	(61,318)	(126,256)	(338,257)	(434,713)
Abandonment and farm-in expenditures ¹	(1,810)	(3,364)	1,146	(8,302)
General, administration and depreciation expenses before depreciation ²	(3,427)	(3,569)	(15,375)	(14,814)
Cash financial items ³	(25,210)	(6,445)	(59,551)	(19,657)
Free cash flow	(28,627)	(61,476)	(153,134)	(135,497)

¹ See note 19 to the Financial Statements. Includes in 2025 secured amounts received of USD 7.7 million towards the future asset retirement obligation for the Bertam field.

² Depreciation is not specifically disclosed in the Financial Statements

³ See notes 5 and 6 to the Financial Statements

EBITDA

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

USD Thousands	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
Net result	(4,491)	415	28,942	102,219
Net financial items	26,039	35,767	65,765	59,709
Income tax	3,504	3,852	17,380	33,325
Depletion and decommissioning costs	32,167	32,087	122,749	128,392
Depreciation of other tangible fixed assets	800	2,430	5,597	8,933
Exploration and business development costs	1,047	1,725	1,799	2,069
Sale of assets ¹	-	(400)	(104)	(400)
Depreciation included in general and administrative expenses ²	350	308	1,409	1,241
EBITDA	58,966	76,814	243,537	335,488

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

² Item is not shown in the Financial Statements

Operating costs

The following table sets out how operating costs is calculated:

USD Thousands	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
Production costs	113,951	120,108	427,623	448,218
Cost of blending	(31,184)	(36,036)	(134,630)	(152,735)
Change in inventory position	(5,700)	(4,633)	(624)	(1,473)
Operating costs	77,067	79,439	292,369	294,010

Net cash / (debt)

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

USD Thousands	December 31, 2025		December 31, 2024	
Bank loans		(40,652)		(5,121)
Bonds		(450,000)		(450,000)
Cash and cash equivalents		7,037		246,593
Net cash / (debt)	(483,615)			(208,528)

Reserves and Resources Advisory

This press release contains references to estimates of gross and net reserves and resources attributed to the Corporation's oil and gas assets. For additional information with respect to such reserves and resources, refer to "Reserves and Resources Advisory" in the MD&A and the MCR. Light, medium and heavy crude oil reserves/resources disclosed in this press release include solution gas and other by-products. Also see "Supplemental Information regarding Product Types" below.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in Canada and France/Malaysia are effective as of December 31, 2025, and are included in the reports prepared by Sproule International Limited and ERC Equipoise Ltd., respectively (collectively, Sproule ERCE), an independent qualified reserves evaluator and 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 Sproule ERCE's December 31, 2025 price forecasts.

The price forecasts used in the Sproule ERCE reports are available on the website of Sproule ERCE (sproule-erce.com) and are contained in the MCR. These price forecasts are as at December 31, 2025 and may not be reflective of current and future forecast commodity prices.

The reserve life index (RLI) is calculated by dividing the 2P reserves of 521 MMboe as at December 31, 2025 by the mid-point of the 2026 CMD production guidance of 44,000 to 47,000 boepd. Reserves replacement ratio is based on 2P reserves of 493 MMboe as at December 31, 2024, sales production during 2025 of 15.7 MMboe, net additions to 2P reserves during 2025 of 43.4 MMboe and 2P reserves of 521 MMboe as at December 31, 2025.

The reserves and resources information and data provided in this press release present 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, 2025, which will be filed on SEDAR+ (accessible at www.sedarplus.ca) on or before April 1, 2026. Further information with respect to IPC's reserves, contingent resources and estimates of future net revenue, including assumptions relating to the calculation of net present value and other relevant information related to the contingent resources disclosed, is disclosed in the MCR available under IPC's profile on www.sedarplus.ca and on IPC's website at www.international-petroleum.com.

IPC uses the industry-accepted standard conversion of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf = 1 bbl). A BOE conversion ratio of 6:1 is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Supplemental Information regarding Product Types

The following table is intended to provide supplemental information about the product type composition of IPC's net average daily production figures provided in this press release:

	Heavy Crude Oil (Mbopd)	Light and Medium Crude Oil (Mbopd)	Conventional Natural Gas (per day)	Total (Mboepd)
Three months ended				
December 31, 2025	23.9	6.6	90.9 MMcf (15.1 Mboe)	45.6
December 31, 2024	24.3	7.1	95.9 MMcf (16.0 Mboe)	47.4
Year ended				
December 31, 2025	23.6	6.4	89.6 MMcf (14.9 Mboe)	44.9
December 31, 2024	23.9	7.7	95.1 MMcf (15.8 Mboe)	47.4

This press release also makes reference to IPC's forecast total average daily production of 44,000 to 47,000 boepd for 2026. IPC estimates that approximately 57% of that production will be comprised of heavy oil, approximately 12% will be comprised of light and medium crude oil and approximately 31% 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.