



International Petroleum Corporation Corporate Update: Blackrod Phase 1 Commencement of Steam Injection

International Petroleum Corporation (IPC or the Corporation) (TSX, Nasdaq Stockholm: IPCO) is pleased to provide an update on the Blackrod Phase 1 development in Canada. Following substantial progress on the project achieved during 2025, IPC commenced first steam injection at the Blackrod Phase 1 project on December 20, 2025. As previously announced, IPC forecasts first oil production at the Blackrod Phase 1 project to occur in Q3 2026, a quarter earlier than originally guided.

William Lundin, IPC's President and Chief Executive Officer, comments: "We are extremely excited to announce that first steam at the transformational Blackrod Phase 1 development project occurred in December 2025. The warm-up process, through steam circulation, for the initial set of wells is ongoing and we continue to forecast first oil production from Blackrod Phase 1 in Q3 2026. The Blackrod Phase 1 development remains on budget with a forecast growth capital expenditure of MUSD 850 to first oil. IPC plans to provide further updates on IPC's forecast production and cash flows at our Capital Markets Day on February 10, 2026."

The Blackrod asset is 100% owned by IPC and contains 259 MMboe of 2P reserves and 1,025 MMboe of contingent resources (best estimate, unrisked) as at December 31, 2024, with regulatory approval to produce up to 80,000 bopd. In early 2023, IPC sanctioned the Phase 1 development targeting plateau production rates of 30,000 bopd with a growth capital expenditure guidance of MUSD 850. As previously announced, from the Phase 1 project sanction to the end of Q3 2025, capital expenditures of MUSD 785 have been incurred, or approximately 92% of the MUSD 850 growth capital guidance to first oil.

International Petroleum Corp. (IPC) is an international oil and gas exploration and production company with a high quality portfolio of assets located in Canada, Malaysia and France, providing a solid foundation for organic and inorganic growth. IPC is a member of the Lundin Group of Companies. IPC is incorporated in Canada and IPC's shares are listed on the Toronto Stock Exchange (TSX) and the Nasdaq Stockholm exchange under the symbol "IPCO".

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This information was submitted for publication, through the contact persons set out above, at 08:30 CET on January 5, 2026.

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:

- 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;
- Estimates of reserves and contingent resources;
- The ability to generate free cash flows and use that cash to repay debt;
- Expectations regarding the oil and gas industry in Canada, Malaysia and France, including assumptions regarding future royalty rates, regulatory approvals, legislative changes, tariffs, and ongoing projects and their expected completion; and
- Future drilling and other exploration and development activities.

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

The forward-looking statements are based on certain key expectations and assumptions made by IPC, including expectations and assumptions concerning: the potential impact of tariffs implemented in 2025 by the U.S. and Canadian governments and that other than the tariffs that have been implemented, neither the U.S. nor Canada (i) increases the rate or scope of such tariffs, or imposes new tariffs, on the import of goods from one country to the other, including on oil and natural gas, and/or (ii) imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas; prevailing commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve and contingent resource volumes; operating costs; our ability to maintain our existing credit ratings; our ability to achieve our performance targets; the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions and that we will be able to implement our standards, controls, procedures and policies in respect of any acquisitions and realize the expected synergies on the anticipated timeline or at all; the benefits of acquisitions; the state of the economy and the exploration and production business in the jurisdictions in which IPC operates and globally; the availability and cost of financing, labour and services; our intention to complete share repurchases under our normal course issuer bid program, including the funding of such share repurchases, existing and future market conditions, including with respect to the price of our common shares, and compliance with respect to applicable limitations under securities laws and regulations and stock exchange policies; and the ability to market crude oil, natural gas and natural gas liquids successfully.

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

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

Additional information on these and other factors that could affect IPC, or its operations or financial results, are included in the management's discussion and analysis for the three and nine months ended September 30, 2025 (MD&A) (See "Risk Factors", "Cautionary Statement Regarding Forward-Looking Information" and "Reserves and Resources Advisory"), the Corporation's Annual Information Form (AIF) for the year ended December 31, 2024, (See "Cautionary Statement Regarding Forward-Looking Information", "Reserves and Resources Advisory" and "Risk Factors") and other reports on file with applicable securities regulatory authorities, including previous financial reports, management's discussion and analysis and material change reports, which may be accessed through the SEDAR+ website (www.sedarplus.ca) or IPC's website (www.international-petroleum.com).

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

Reserves and Resources Advisory

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

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in Canada are effective as of December 31, 2024, and are included in the reports prepared by Sproule Associates Limited (Sproule), an independent qualified reserves evaluator, in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* (NI 51-101) and the Canadian Oil and Gas Evaluation Handbook (the COGE Handbook) and using Sproule's December 31, 2024 price forecasts.

The price forecasts used in the Sproule reports are available on the website of Sproule (sproule.com) and are contained in the AIF. These price forecasts are as at December 31, 2024 and may not be reflective of current and future forecast commodity prices.

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.

Currency

All dollar amounts in this press release are expressed in United States dollars, except where otherwise noted. References herein to USD mean United States dollars and to MUSD mean millions of United States dollars. References herein to CAD mean Canadian dollars.