



To the General Meeting of InterOil Exploration and Production ASA

Statement regarding conversion of debt

At the Board of Directors' request we, as independent experts, issue this statement in compliance with The Public Limited Liability Companies Act section 10-2, refer section 2-6.

The Board of Directors' responsibility for the statement

The Board of Directors is responsible for the valuations performed.

The independent experts' responsibility

Our responsibility is to prepare a statement relating to the General Meeting's decision to allow Nordic Trustee AS, to convert debt against consideration in InterOil Exploration and Production ASA shares, and express an opinion that the value of the debt to be converted to cover the value of the new shares issued, is at least equivalent to the agreed consideration.

The statement consists of two parts. The first part is a description of the debt to be converted. The second part is our opinion regarding whether the debt to be converted has a value which is at least equivalent to the agreed consideration.

Part 1: Information about the debt

The share contribution shall be settled immediately by way of set off of USD 13.102.396 of the principal amount plus accrued interest up to and including 15 January 2020 of the total of the currently outstanding principal amount of USD 37.435.416 of the Company's bond loan with ISIN NO 001 0729908, where Nordic Trustee AS is trustee for the bondholders. The aggregate amount being set off is consequently USD 13.482.365,47. The set-off is done by Nordic Trustee AS giving notice of the set-off. The set-off shall be based on the exchange ratio between USD and NOK as quoted by the Central Bank of Norway on 15 January 2020. The board of directors determines the final subscription price based on a 20% discount on the volume-weighted average trading price for the shares in the Company in a period of 60 calendar days prior to the bondholders' meeting on 30 December 2019.

Part 2: The independent expert's opinion

We have performed procedures and issue our opinion in accordance with the Norwegian standard NSAE 3802 "The auditor's assurance reports and statements required by Norwegian Company legislation¹" issued by the Norwegian Institute of Public Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the value of the debt to be converted is at least equivalent to the agreed consideration. Our procedures include an assessment of the reality of the debt.

¹ Norwegian name of standard: SA 3802-1 Revisors uttalelser og redegjørelser etter aksjelovgivningen



We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

The final distribution of shares will be finalized and concluded at the date of the extraordinary general meeting 16 January 2020. In our opinion the mechanisms for calculation the issuing of is correctly described, and as of today the number of shares which will be issued by converting USD 13.482.365,47 of the debt will be as follows:

The share capital is increased by a minimum of NOK 17.753.420 and a maximum of NOK 35.450.929 by issuance of a minimum of 35.506.839 and a maximum of 70.901.858 shares, each with a par value of NOK 0.50. This means that a minimum of NOK 1,70 and a maximum of NOK 3,39 will be paid per share based on the calculation agreed by bondholders.

However, the final calculation of shares to be distributed will be done at 16 January 2020, and our opinion will be reissued then.

Stavanger, 18 December 2019
PricewaterhouseCoopers AS


Arne Birkeland
State Authorised Public Accountant