



Report for the second quarter and first half of 2024

Interoil Exploration and Production ASA

WWW.INTEROIL.NO

Highlights in the period

- InterOil's net production in the first six months of 2024 was 100 334 barrels of oil equivalents (boe), as compared to 54,310 boe in the same period in 2023. Revenues were USD 7.9 million compared with USD 3.4 million in the corresponding period the previous year. This increase comes mostly from the acquisition of an additional 43% stake in the Santa Cruz (Argentina) assets in June 2023.
- EBITDA in the first half of 2024 was USD 4.3 million, compared with USD -0.1 million in the same period of 2023.
- In 2024 InterOil Argentina entered into a new commercial agreement with Compañía General de Combustibles (CGC), one of the biggest O&G companies in Argentina, which operates the Loyola Port facilities, nearby InterOil O&G fields. This new commercial contract provides InterOil an alternative and profitable spot to deliver crude oil minimizing freight and increasing prices by up to USD 10/bbl compared to previous destinations.
- In Argentina, the decrease in operated production stems mainly from the Santa Cruz fields, where harsh winter conditions impacted the Patagonian region with temperatures reaching 20°C below zero. These events blocked national routes and oilfield paths, and the local authorities issued roadblocks as a safety measure, making it difficult to access services and materials to the operations. The pulling rig in some oilfields had to be postponed, due to road access impediments and safety considerations.

Key figures	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Gross production oil/gas (boe)	235.778	227.342	251.119	207.994	200.923
Gross production oil/gas (average boepd)	2.591	2.471	2.760	2.286	2.208
Net production oil/gas (boe)	54.310	112.558	121.988	104.836	100.334
Net production oil/gas (average boepd)	597	1.223	1.341	1.152	1.103
Oil price average (usd/bbl)	71,9	87,2	82,8	85,0	83,3
Revenues (USDm)	3,4	10,5	7,5	5,3	5,3

Net production: Represents the percentage of the participating interest corresponding to the Company in the different locations.

Subsequent events

- In Colombia, the Company is working with local communities in the Puli C surroundings aiming to grant their approval to initiate a pulling campaign to recover at least 100 bpd of oil and 500 Kscfpd of gas outflows.
- In Argentina, extreme weather conditions continued during July and August, postponing the recovery of production to previous levels. Currently, two out of three gas plants have resumed operations, while evacuation of crude stored in oil tanks begins to accelerate to make room for production increase.
- As occurred in the latest two prior Bond interest payment instances, in July, and on the Company's request, bondholders approved amendments to the bond terms to settle the full July 2024 interest payment in kind by issuing and delivering additional bonds. This enables the Company to focus funds in necessary investments in its operations both in Colombia and Argentina to recover production levels.
- InterOil Colombia has reached an agreement with the ANH to terminate the LLA-47 Contract, subject to ANH Committee, corporate and Bondholders approval. This termination is partial as it

only concerns the exploration activities, commitments and area, retaining InterOil Colombia the production well Vikingo until the end of its economic life. The termination is based upon the impossibility for InterOil to carry out exploration activities in the block due to community opposition and shall be made without penalties or compensation to be paid by InterOil. The Company has summoned the Bondholders of the Company' bonds for a written resolution approving the transaction, which is at present pending.

Portfolio overview

Interoil is an independent oil and gas exploration and production company, currently operating in Colombia and Argentina. Interoil is involved in the acquisition, exploration, development and operation of onshore oil and natural gas assets. Interoil is an operator and an active license partner in several productions and exploration assets in Colombia and Argentina.

The Interoil portfolio consists of two producing licenses, two exploration licenses in Colombia, one exploration concession, and seven production concessions in Argentina. The licenses in Colombia were acquired through company acquisitions and open bid-rounds for licenses organised by the authorities. The licences in Argentina were acquired through a share purchase agreement with the previous owner, in the case of the blocks located in the Provinces of Jujuy and Chubut, and through an asset purchase agreement in the case of the concession located in the province of Santa Cruz.

Following these transactions, Interoil has hydrocarbon production in both Colombia and Argentina. Income from the sale of petroleum and gas is being used to fund further exploration activities and development of these assets and/or acquire new ones.

Strategic transactions

In May 2023, the Company announced the acquisition, jointly with another Argentine company called Selva María Oil S.A. (SMO), of 65% of the concessions located in the Province of Santa Cruz (where the Company already had an 8.34% share) from Echo Energy PLC. This acquisition was completed in July 2023.

This transaction allowed Interoil to secure a substantial increase of its participating interest in the above-mentioned Santa Cruz Exploitation Concession adding a significant number of boepd to its equity production against a convenient consideration substantially payable in kind and with limited dilution.

The deal also resulted in an improvement of the joint venture ability to carry out actions for production increase through the incorporation of the former operator of the concessions as a new member of the joint venture, at the same time reducing the participation of Echo to an interest that better suits its current capabilities.

Gas sales contract

Also in 2023, the UTE Santa Cruz received Government approval to its filing before the Argentine National Secretariat of Energy for an application under the Gas Plan regime (Gas Plan 5.2) promoting gas production. Such approval awards to the UTE a new gas sales contract for prices substantially above those payable under current existing agreements.

The new conditional contract under Gas Plan 5.2 (Santa Cruz Sur Basin) was entered into with ENARSA (Energía Argentina Sociedad Anónima) and is for production volumes outside of those delivered under the existing gas contracts with industrial clients.

The contract is applicable across all the Santa Cruz concessions and shall be in force through December 2028. The contract structure provides for a base volume and an incremental volume with different prices. Thus, the base volume of 1.06 MMscf/d (gross 100% JV) attracts a price of US\$3.46 per MMBTU.

Higher price

In turn, any incremental production volume delivered above the aforementioned base volume, and above the existing gas contracts with industrial clients, would achieve a gas price of US\$9.975 per MMBTU until April 2026, a price of US\$ 9.50 per MMBTU from May 2026 to December 2026 which reduces to US\$ 5.90 per MMBTU for the remaining period of the Gas Plan contract through December 2028.

These prices are materially above the existing average sales prices achieved by the UTE.

Financing

In January and July 2024, following approval of amended terms of the Company's senior secured callable bonds, the Company settled in kind the full Interest Payment due by issuing and delivering additional Bonds with terms and conditions substantially equal to those of the outstanding Bonds.

Outlook

In Argentina, the Company has been acquiring concessions in areas for exploration and production and has resumed operations in several fields which had been suspended. The Company is in the process of carrying out actions aimed at

the recovering production both in Argentina and Colombia. In addition to and in line with this, InterOil is working on improving revenues and has been granted a benefit by virtue of which incremental gas produced in Santa Cruz, Argentina, is being paid at prices three times the

prior gas prices. All these require investments to maximize benefits on these business opportunities.

Statement of responsibility

The Board of Directors and the General Manager have reviewed and approved the unaudited six-month interim financial report for the period 1 January to 30 June 2024.

The interim report has been prepared following IAS 34 “Interim Financial Reporting” in the context of the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Norwegian disclosure requirements for interim financial reports of listed public limited companies.

We consider, to the best of our knowledge, the accounting policies applied to be appropriate. Accordingly, the interim report gives a true and fair view of the Group’s assets, liabilities, financial position and results as of 30 June 2024.

August 29, 2024

The Board of Interoil Exploration and Production ASA.

Hugo Quevedo
Chairman
(signed)

Nicolas Acuña
Board Member
(signed)

Carmela Saccomanno
Board member
(signed)

Isabel Valado Ramudo
Board Member
(signed)

German Ranftl
Board Member
(signed)

Laura Marmol
Board Member
(signed)

Leandro Carbone
General Manager
(signed)

Consolidated interim statement of comprehensive income

Amounts in USD 1 000	For the 3- months period ended 30 June 2024	For the 3- months period ended 30 June 2023	For the 3- months period ended 31 March 2024	For the 6- months period ended 30 June 2024	For the 6- months period ended 30 June 2023
Sales	5.349	3.354	5.299	10.648	5.896
Cost of goods sold ex depreciation	-4.514	-968	-2.769	-7.283	-2.297
Depreciation	-511	-500	-352	-863	-852
Gross profit	324	1.886	2.178	2.502	2.747
Exploration cost expensed	-66	-23	-70	-136	-98
Operating expenses	-2.539	-2.333	-1.689	-4.228	-3.565
Other (expense)/income	88	-68	110	198	-24
Result from operating activities	-2.193	-538	529	-1.664	-940
Finance expense – net	-1.331	-2.026	-1.711	-3.042	-2.519
Result before income tax	-3.524	-2.564	-1.182	-4.706	-3.459
Income tax (expense)/credit	80	-163	-442	-362	-435
Net result	-3.444	-2.727	-1.624	-5.068	-3.894

Notes 1 to 4 are an integral part of these condensed consolidated financial statements.

Consolidated interim statement of financial position

	As of 30 Jun 2024	As of 31 Dec 2023
ASSETS		
Non-current assets		
Property, plant and equipment	27.917	27.336
Exploration and evaluation assets	3.605	3.605
Total non-current assets	31.522	30.941
Current assets		
Inventories	300	298
Trade and other receivables	8.385	8.743
Cash and cash equivalents, restricted	4.721	4.265
Cash and cash equivalents, non restricted	4.196	1.164
Total current assets	17.602	14.470
TOTAL ASSETS	49.123	45.411
TOTAL EQUITY	- 21.847	- 16.779
LIABILITIES		
Non-current liabilities		
Borrowings	26.040	24.860
Retirement benefit obligations	477	502
Provisions for other liabilities and charges	10.485	11.650
Other long-term payables	3.191	3.235
Total non-current liabilities	40.192	40.247
Current liabilities		
Borrowings and interest bearing liabilities	7.412	3.551
Trade and other payables	21.007	17.386
Other liabilities	870	-
Income tax payable	480	-
Provisions for other liabilities and charges	1.010	1.006
Total current liabilities	30.779	21.943
TOTAL LIABILITIES	70.971	62.190

Notes 1 to 4 are an integral part of these condensed consolidated financial statements.

Consolidated interim statement of changes in equity

Amounts in USD 1 000	Share capital and share premium	Other paid-in equity	Retained earnings	Total equity
Balance at 31 December 2023	166.108	4.744	-187.631	-16.779
Net result	-	- -	5.068 -	5.068
Balance at 30 June 2024	166.108	4.744	-192.699	-21.847

Notes 1 to 4 are an integral part of these condensed consolidated financial statements.

Consolidated interim cash flow statement

Amounts in USD 1 000	For the 6 months period ended 30 June 2024	For the 6 months period ended 30 June 2023
Cash generated from operations		
Result for the period	-5.068	-3.894
Net finance expense	3.042	0
Depreciation, amortization and impairment	863	852
Change in tax payable	480	1.406
Changes in assets & liabilities		
Inventories	-2	30
Trade and other receivables	358	-2.257
Trade and other payables / provision and other liabilities	2.391	-247
Net cash generated operating activities	2.064	-4.110
Cash flows from investing activities		
Changes in restricted cash classification	-456	1.500
Capital expenditures	-1.091	-307
Net cash used in investing activities	-1.547	1.193
Cash flows from financing activities		
Finance expense net	-123	830
Increase in borrowings	2.638	0
Net cash used in financing activities	2.515	830
Net change in cash and cash equivalents	3.032	-2.087
Non restricted cash and cash equivalents at beginning of the period	1.164	2.410
Non restricted cash and cash equivalents at end of the period	4.196	323

Notes 1 to 4 are an integral part of these condensed consolidated financial statements.

Note 1. Corporate information

Interoil Exploration and Production ASA is an independent oil and gas exploration and production company, with offices in Buenos Aires, Argentina, and Bogota, Colombia. The company is listed on the Oslo Stock Exchange with the ticker "IOX". The Company is registered in the Register of Business Enterprises with organisation number 988 247 006.

Interoil is involved in the acquisition, exploration, development and operation of oil and natural gas properties in South America. Several projects are being evaluated; both producing fields and prospecting areas.

Interoil's current asset portfolio is focused on onshore E&P contracts in Colombia and Argentina. The company aims to expand its portfolio through further acquisitions, purchase of license shares and license applications or awarded permits and licenses mainly in South America

The condensed consolidated interim financial information for the period ended 30 June 2024 includes the Company and its subsidiaries. This condensed consolidated interim financial information has been authorised for issue by the Board of Directors on 29 August 2024.

Note 2. Accounting policies

Interoil's condensed consolidated interim financial information is prepared following IAS 34, in the context of the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Interim period results are not necessarily indicative of results of operations or cash flows for an annual period.

Should the Group be affected by the consequences of the exploration activities, the valuation of the Group's assets will need to be further revised; leading to potential further impairment.

The condensed interim financial information is unaudited.

Note 3. Segment information

For the 6 months period ended 30 June 2024

Amounts in USD 1 000	Colombia	Argentina	Norway/Corp	Group
Total revenue	5.149	5.498	-	10.648
Cost of goods sold ex depreciation	- 3.088	- 4.195	- -	7.283
Depreciation	- 863	-	- -	863
Gross profit	1.198	1.304	-	2.502
Exploration cost expensed	- 136	-	- -	136
Operating expenses	- 206	- 2.509	- 1.513	- 4.228
Other income	105	-	93	198
Result from operating activities	962	- 1.205	- 1.421	- 1.664
Finance expense – net	- 123	- 1.994	- 925	- 3.042
Loss before income tax	839	- 3.199	- 2.345	- 4.706
Income tax expense	- 362	-	- -	362
Loss for the period	477	- 3.199	- 2.345	- 5.068

For the 6 months period ended 30 June 2023

Amounts in USD 1 000	Colombia	Argentina	Norway/Corp	Group
Total revenue	5.288	608	-	5.896
Cost of goods sold ex depreciation	- 1.975	- 322	- -	2.297
Depreciation	- 852	-	- -	852
Gross profit	2.461	286	-	2.747
Exploration cost expensed	- 98	-	- -	98
Operating expenses	- 559	- 765	- 2.241	- 3.565
Other income	75	- 84	- 16	- 25
Result from operating activities	1.879	- 563	- 2.257	- 941
Finance expense – net	- 1.348	- 823	- 348	- 2.519
Loss before income tax	531	- 1.386	- 2.605	- 3.460
Income tax expense	- 435	-	- -	435
Loss for the period	96	- 1.386	- 2.605	- 3.895

Note 4. Finance expenses

Amounts in USD 1000	For the 6-months period ended 30 June 2024	For the 6-months period ended 30 June 2023
Interest expense	-	3.356 -
Exchange loss	-	733 -
Others		-
Net finance expenses	-	3.042 -

INTEROIL EXPLORATION AND PRODUCTION ASA
c/o Advokatfirmaet Schjødt AS
Oslo, Norway
info@interoil.no
ir@interoil.no