



Report for the first quarter of 2024

Interoil Exploration and Production ASA

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Highlights in the period

- Interoil's net production in the first three months of 2024 was 104,836 barrels of oil equivalents (boe), up from 54,661 boe in the same period in 2023.
- Revenues were USD 7.8 million compared with USD 1.2 million in the corresponding period the previous year. The increase is mainly due to increased share in Argentina's operations.
- EBITDA in the first three months of 2024 was USD 3.3 million, compared with USD -0.5 million in the same period of 2023.
- By virtue of requests filed by Interoil Colombia to the Colombian hydrocarbons regulatory agency (ANH), the terms applicable to Interoil's exploratory drilling obligations in Llanos-47 have been postponed at least through June 2025. In the case of Altair, the current exploratory period is suspended until the end of August 2024. Once suspension is terminated, Interoil Colombia would be granted an additional term extension of 145 days, expected to be counted from August 31, 2024, onwards. In such event, the new deadline would be postponed to January, 2025. While no assurance can be given, postponement should continue beyond such dates as long as there are underlying reasons causing force majeure.
- In January, on the Company's request, bondholders approved amendments to the bond terms to settle the full January 2024 interest payment in kind by issuing and delivering additional bonds.
- 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 up to USD 10/bbl compared to previous destinations.

Key figures	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Gross production oil/gas (boe)	235.539	235.778	227.342	251.119	207.994
Gross production oil/gas (average boepd)	2.617	2.591	2.471	2.760	2.286
Net production oil/gas (boe)	54.661	54.310	112.558	121.988	104.836
Net production oil/gas (average boepd)	607	597	1.223	1.341	1.152
Oil price average (usd/bbl)	79,0	71,9	87,2	82,8	85,0
Revenues (USDm)	1,2	3,4	10,5	7,5	7,8

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

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 licenses 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.

The Company serves as operator, while SMO served as operator of the joint venture immediately prior to the appointment of Interoil as operator. Echo retained a 5% working interest in the concessions.

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

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, the Company requested bondholders to approve a proposal to amend the terms of the Company's senior secured callable bonds enabling to settlement in kind of the full Interest Payment due in January 2024 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 – 3 – 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 three-month interim financial report for the period 1 January to 31 March 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 31 March 2024.

Oslo, May 30th, 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 31 March 2024	For the 3- months period ended 31 March 2023
Sales	7.788	2.542
Cost of goods sold ex depreciation	-2.769	-1.329
Depreciation	-352	-352
Gross profit	4.667	861
Exploration cost expensed	-70	-75
Operating expenses	-1.689	-1.232
Other (expense)/income	110	44
Result from operating activities	3.018	-402
Finance expense – net	-1.711	-493
Result before income tax	1.308	-895
Income tax (expense)/credit	-442	-272
Net result	866	-1.167

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

Consolidated interim statement of financial position

	As of 31 Mar 2024	As of 31 Dec 2023
ASSETS		
Non-current assets		
Property, plant and equipment	27.973	27.336
Exploration and evaluation assets	3.605	3.605
Total non-current assets	31.578	30.941
Current assets		
Inventories	318	298
Trade and other receivables	7.141	8.743
Cash and cash equivalents, restricted	4.265	4.265
Cash and cash equivalents, non restricted	3.854	1.164
Total current assets	15.578	14.470
TOTAL ASSETS	47.156	45.411
TOTAL EQUITY	- 15.913 -	16.779
LIABILITIES		
Non-current liabilities		
Borrowings	26.021	24.860
Retirement benefit obligations	-	502
Provisions for other liabilities and charges	11.628	11.650
Other long-term payables	3.599	3.235
Total non-current liabilities	41.247	40.247
Current liabilities		
Borrowings and interest bearing liabilities	7.645	3.551
Trade and other payables	11.918	17.386
Other liabilities	916	-
Income tax payable	335	-
Provisions for other liabilities and charges	1.006	1.006
Total current liabilities	21.820	21.943
TOTAL LIABILITIES	63.067	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	-	-	866	866
Balance at 31 March 2024	166.108	4.744	-186.765	-15.913

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 3 months period ended 31 March 2024	For the 3 months period ended 31 March 2023
Cash generated from operations		
Result for the period	866	-1.167
Net finance expense	1.711	493
Depreciation, amortization and impairment	352	352
Change in tax payable	335	137
Changes in assets & liabilities		
Inventories	-20	-174
Trade and other receivables	1.602	713
Trade and other payables / provision and other liabilities	-4.712	-519
Net cash generated operating activities	135	-165
Cash flows from investing activities		
Changes in restricted cash classification	0	0
Capital expenditures	-989	-185
Net cash used in investing activities	-989	-185
Cash flows from financing activities		
Net interest paid	-366	-514
Increase in borrowings	3.910	0
Net cash used in financing activities	3.545	-514
Net change in cash and cash equivalents	2.690	-864
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	3.854	1.546

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 31 March 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 May 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 3 months period ended 31 March 2024

Amounts in USD 1 000	Colombia	Argentina	Norway/Corp	Group
Total revenue	2.624	5.164	-	7.788
Cost of goods sold ex depreciation	- 1.023	- 1.746	-	2.769
Depreciation	- 352	-	-	352
Gross profit	1.250	3.417	-	4.667
Exploration cost expensed	- 70	-	-	70
Operating expenses	- 206	- 807	- 675	1.689
Other income	48	-	62	110
Result from operating activities	1.022	2.610	- 613	3.018
Finance expense – net	- 366	- 860	- 486	1.711
Loss before income tax	656	1.750	- 1.099	1.308
Income tax expense	- 442	-	-	442
Loss for the period	215	1.750	- 1.099	866

For the 3 months period ended 31 March 2023

Amounts in USD 1 000	Colombia	Argentina	Norway/Corp	Group
Total revenue	2.279	263	-	2.542
Cost of goods sold ex depreciation	- 807	- 522	-	1.329
Depreciation	- 352	-	-	352
Gross profit	1.120	- 259	-	861
Exploration cost expensed	- 75	-	-	75
Operating expenses	- 1.186	-	- 46	1.232
Other income	36	-	8	44
Result from operating activities	- 105	- 259	- 38	402
Finance expense – net	- 332	-	- 161	493
Loss before income tax	- 437	- 259	- 199	895
Income tax expense	- 272	-	-	272
Loss for the period	- 709	- 259	- 199	1.167

Note 4. Finance expenses

Amounts in USD 000	For the 3- months period ended 31 March 2024	For the 3- months period ended 31 March 2023
Interest expense	- 1.362	- 486
Exchange loss	- 349	- 7
Net finance expenses	- 1.711	- 493

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