

1. SUMMARY

INTRODUCTION AND WARNINGS

<i>Warning</i>	<p>This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. An investment in the Shares involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
<i>Securities</i>	<p>The Company has one class of shares in issue. The Bond Conversion Shares are ordinary shares of the Company, issued in accordance with the Norwegian Public Limited Liability Companies Act, each with a nominal value of NOK 0.50, and have been issued electronically in registered form in accordance with the Norwegian Public Limited Liability Companies Act.</p> <p>The 56,193,478 Bond Conversion Shares have been delivered on a separate ISIN NO 0010873623 (temporary ISIN) and will be listed and tradeable on the Oslo Stock Exchange under the Company's regular ISIN NO 0010284318 after the publication of this Prospectus.</p>
<i>Issuer</i>	<p>The issuer of the securities is Interoil Exploration and Production ASA with registration number 988 247 006 in the Norwegian Register of Business Enterprises and LEI code 5967007LIEEXZXIMC884. The Company's registered address is c/o Advokatfirmaet Schjødt AS, Ruseløkkveien 14, N-0251 Oslo, Norway, its e-mail is info@interoil.no and its telephone number is +47 6751 8650.</p>
<i>Competent authority</i>	<p>The Financial Supervisory Authority of Norway (Nw.: Finanstilsynet), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and telephone number +47 22 93 98 00 has reviewed and, on 26 August 2020, approved the Prospectus.</p>

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

<i>Corporate information</i>	<p>The issuer of the securities is Interoil Exploration & Production ASA, a public limited liability company incorporated in Norway on 2 May 2005 in accordance with the Norwegian Public Limited Companies Act and operating pursuant to the Norwegian Public Limited Companies Act. The Company is registered with the Norwegian Register of Business Enterprises under the organisation number 988 247 006 and its LEI code is 5967007LIEEXZXIMC884.</p>
<i>Principal activities</i>	<p>The Company is an independent oil & gas exploration and production company currently operating in Colombia and Argentina and headquartered in Oslo. The Company is engaged in the acquisition, exploration, development and operation of oil and natural gas properties. Interoil serves either as an operator or as an active license partner in a number of production and exploration assets in Colombia and Argentina.</p> <p>Interoil's portfolio consists of two producing licenses and two exploration licenses in Colombia and one exploration and seven production concessions in Argentina located in the Provinces of Chubut, Jujuy and Santa Cruz.</p> <p>The licenses in Colombia have been acquired through company acquisitions and bid- rounds for licenses. The licences in Argentina located in Chubut and Jujuy were acquired through a share purchase agreement with the previous owners and the concessions located in Santa Cruz were acquired through an asset purchase agreement.</p> <p>The Company has oil and gas production in Colombia and Argentina and part of the Group's strategy is to use this position to extract value from its production and exploration licenses to develop these assets and/or acquire new ones.</p>

Major shareholders

Shareholders owning five per cent or more of the Company have a notifiable interest in the Company's share capital according to the Norwegian Securities Trading Act. As of 21 August 2020, the Company has a total of 2480 registered shareholders in the VPS, of which the top 10 registered shareholders are listed below:

#	Shareholders	Number of Shares	Percent
1	CLEARSTREAM BANKING S.A.*	20,719,081	13.19
2	GENIPABU INVESTMENTS LLC	19,654,960	12.51
3	Integra Oil and Gas S.A	10,351,741	6.59
4	SIX SIS AG*	9,852,702	6.27
5	Magnus Capital S.A	8,195,583	5.22
6	International Capital Markets Grou	7,394,102	4.71
7	MP PENSJON PK	4,758,323	3.03
8	Roch SA	4,045,539	2.57
9	Euroclear Bank S.A./N.V.*	3,647,212	2.32
10	Brie International Development Cor	2,957,641	1.88

* shares held through a nominee account

Key managing directors

The following persons are considered part of the Management of Interoil:

- Leandro Carbone, Chief Executive Officer
- Francisco G. Vozza, General Manager
- Juan Verde, Vice-President Energy Transition and Strategy

Statutory auditor

PricewaterhouseCoopers AS, with business registration number 987 009 713, and registered address at Dronning Eufemias gate 8, N-0191 Oslo, Norway.

What is the key financial information regarding the issuer?

The below tables set out key financial information for the Group for the periods indicated.

Consolidated Income Statement:

Amounts in USD 1000	For the 3 months	For the 3 months	For the 12 months	For the 12 months	For the 12 months
	period ended	period ended	period ended 31	period ended 31	period ended 31
	31 March 2020	31 March 2019	Dec 2019	Dec 2018	Dec 2017
	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Sales	3,457	3,826	17,072	21,318	16,602
Cost of goods sold	- 1,925	- 1,516	- 7,511	- 9,195	- 5,618
Depreciation	- 2,282	- 1,922	- 7,595	- 9,438	- 5,756
Gross Profit	- 750	388	1,966	2,685	5,228
Exploration Cost expensed	- 200	- 23	- 964	- 903	- 1,914
Administrative expense	- 784	- 902	- 3,567	- 5,702	- 4,230
Impairment of oil and gas assets	-	-	- 1,547	-	-
Other Income	129	46	502	681	606
Result from operating activities	- 1,605	491	3,610	3,239	1,522
Finance income	2,399	235	1,391	1,337	651
Finance costs	- 950	- 1,186	- 5,206	- 4,280	- 4,008
Net Finance income (expense)	1,449	951	3,815	2,943	3,357
Profit (loss) before income tax	- 156	1,442	7,425	6,182	4,879
Income tax expense	- 733	- 218	- 216	- 983	- 825
Profit of the year	- 889	1,660	7,641	7,165	5,704
(Loss)/profit from discontinued operations	-	-	-	-	-
Profit of the period	- 889	1,660	7,641	7,165	5,704
Other comprehensive loss	-	-	-	7	15
Total comprehensive income for the year	- 889	1,660	7,641	7,172	5,689
Attributable to:					
Equity holders of the parent	- 889	1,660	7,641	7,172	5,689
Earnings per share (expressed in USD per share)					
-basic and diluted - total	- 0.01	0.03	0.09	0.11	0.02
-basic and diluted - continuing operations	- 0.01	0.03	0.09	0.11	0.02

Consolidated Statements of Financial Position:

Amounts in USD 1000	As of 31 March 2020	As of 31 December 2019	As of 31 December 2018	As of 31 December 2017
ASSETS				
Non-current assets				
Property, plant and equipment	32,492	34,628	27,194	32,431
Other non-current assets	1,520	1,764	1,590	916
	34,012	36,392	28,784	33,347
Current assets				
Inventories	560	847	606	480
Trade and other receivables	915	1,231	2,021	3,263
Cash and cash equivalents, non-restricted	3,014	3,043	4,057	3,688
Cash and cash equivalents, restricted	2,282	1,767	3,655	3,836
Total current assets	6,771	6,888	10,339	11,267
TOTAL ASSETS	40,783	43,280	39,123	44,614
EQUITY				
Share capital and share premium	155,415	142,095	129,135	129,135
Other paid-in equity	4,744	4,744	4,744	4,744
Retained earnings	-	156,486	-	140,533
Total equity	3,673	8,507	13,826	6,654
LIABILITIES				
Non-current liabilities				
Borrowings	25,442	39,042	38,553	38,235
Deferred tax liability	1,310	870	1,614	2,500
Retirement benefit obligation	541	677	673	707
Provisions for other liabilities and charges	2,259	2,754	1,951	1,553
Total non-current liabilities	29,552	43,343	42,791	42,995
Current liabilities				
Borrowings/current interest-bearing liabilities	1,523	1,997	2,498	3,022
Trade and other payables	5,032	5,684	6,911	4,545
Income tax payables	282			
Provision for other liabilities and charges	721	763	749	706
Total current liabilities	7,558	8,444	10,158	8,273
TOTAL LIABILITIES	37,110	51,787	52,949	51,268
TOTAL EQUITY AND LIABILITIES	40,783	43,280	39,123	44,614

Cash flow statements:

Amounts in USD 1000	For the 3 months period ended 31 March 2020	For the 3 months period ended 31 March 2019	As of 31 December 2019	As of 31 December 2018	As of 31 December 2017
Cash Generated from Operations					
Total Comprehensive Income of the Period	-	889	-	1,660	-
Income tax expense			218	-	983
Depreciation, amortization and impairment	2,282	1,922	7,805	9,623	5,973
Share based payment and change in retirement			16	4	1
Interest income	-	2	-	4	-
Interest expense	78	-	744	21	25
Unrealized exchange (gain)/loss from revaluation of borrowings	-	-	-	3,109	2,767
Gain on sale of PP&E	-	-	53	-	115
Other net financial expense	-	-	-	493	-
Impairment loss on PP&E	-	652	779	-	72
			1,547	347	510
Changes in Assets & Liabilities					
Inventories	-	287	-	234	-
Trade and other receivables	-	316	-	1,127	-
Trade and other Payables and provision for other liabilities	-	252	3,033	-	-
Taxes paid	-	-	-	535	1,078
Net Cash generated in operating activities	1,118	3,560	6,128	8,094	3,747
Cash Flows From Investing Activities					
Purchase of PP&E	-	146	-	2,877	-
Retirements and sales of PP&E	-	-	-	-	1,334
Net Cash Used in Investing Activities	-	146	-	4,786	4,583
Cash Flows from Financing activities					
Interest paid	-	75	-	1,117	-
Repayment of borrowings	-	138	-	1,474	-
Increase in non-current assets	-	244	-	174	-
Proceeds from new loans	-	-	1,540	675	714
Changes in restricted and long term cash	-	29	-	1,014	673
Net Cash used in financing activities	-	486	1,051	3,230	3,521
Net (decrease)/increase in cash and cash equivalents	486	-	368	-	188
Cash and cash equivalents at beginning of the period	4,810	7,712	7,712	7,524	11,468
Cash and cash equivalents at end of the year	5,296	7,344	5,824	7,712	7,524
Whereof cash and cash equivalents, non-restricted	2,282	2,691	3,043	4,057	3,688
Whereof cash and cash equivalents, restricted	3,014	4,653	1,767	3,655	3,836

What are the key risks that are specific to the issuer?

- Material risk factors*
- The Group is dependent on the availability of drilling and related equipment for its oil and natural gas exploration and development activities. Current high demand for such equipment or access restrictions is affecting the availability and cost of such equipment to the Group, and may delay exploration and development activities.
 - Oil and natural gas prices are unstable and subject to fluctuation, and any material decline in such prices could, inter alia, change the economics of producing from some of the Group's wells and assets and could negatively affect the Group's net production revenue and overall value.
 - The Company's reserve reports are subject to uncertainties, and the Group's actual oil and gas production may vary significantly from reported reserves, which may in turn negatively affect the valuation of the Company.
 - There is a risk that the Group may not be able to discover new reserves in the future. Should additional reserves not be discovered, the Group's current operations will not be sustainable.
 - The Group's production is concentrated in a small number of fields, making the Company vulnerable to mechanical problems and other events.
 - There are risks related to authorisations, permits, concession and licences from Colombian and Argentinian authorities, upon which the Group depends, including the risk that licences may be terminated.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

- Type, class and ISIN*
- The Bond Conversion Shares are ordinary shares of the Company, issued in accordance with the Norwegian Public Limited Liability Companies Act, each with a nominal value of NOK 0.50, and have been issued electronically in registered form in accordance with the Norwegian Public Limited Liability Companies Act.
- The 56,193,478 Bond Conversion Shares have been delivered on a separate ISIN NO 0010873623 (Temporary ISIN) and will be listed and tradeable on the Oslo Stock Exchange under the Company's regular ISIN NO 0010284318 after the publication of this Prospectus.
- Currency, par value and number of securities*
- The Company's current share capital is NOK 78,556,755.50, divided into 157,113,511 shares, each with a par value of NOK 0.50. The Shares are, and the Bond Conversion Shares will be, traded in NOK on the Oslo Stock Exchange.
- Rights attached to the securities*
- The Company has one class of shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all shares in that class provide equal rights in the Company, including the rights to dividends. Each of the Shares carries one vote.
- Transfer restrictions*
- The Shares are freely transferable.
- Dividend and dividend policy*
- The Company has been and still is in a phase involving considerable investments. The Company has a high focus on value creation and will have a dividend policy that will preserve the interests of the Company and its shareholders.
- Interoil will strive to follow a dividend policy favourable to shareholders. This will be achieved by sound development and continuous growth. The Company aims to give shareholders a competitive return on capital relative to the underlying risk. Interoil's existing dividend policy is to retain earnings in order to maintain a sound equity ratio, liquidity reserve and secure funding of product development projects. Due to this Interoil does not anticipate paying cash dividends on a regular basis in the foreseeable future. The payment of future dividends will, among other things, depend on the Group's earnings, financial condition, investment requirements and rate of growth.
- Interoil did not pay any dividends in the last three financial years.

Where will the securities be traded?

The Company's Shares, excluding the Bond Conversion Shares, are already listed and tradeable on the Oslo Stock Exchange. The 56,193,478 Bond Conversion Shares will be listed and tradeable on the Oslo Stock Exchange after the publication of this Prospectus.

What are the key risks that are specific to the securities?

Material risk factors

- Shareholders resident in certain jurisdictions may not be able to exercise pre-emptive rights and may therefore not be able to participate in future offerings of Shares in Interoil, which in turn would lead to their shareholdings being diluted.
- Beneficial owners of Shares that are registered in a nominee account (e.g. through brokers, dealers or other third parties) may not be able to vote for such Shares.

KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

This Prospectus is a listing prospectus for securities already issued by the Company, and consequently does not entail an offer to buy or subscribe for any securities. The Bond Conversion Shares will be listed and tradeable on the Oslo Stock Exchange under the Company's regular ISIN NO 0010284318 after the publication of this Prospectus.

Total expenses

Expenses related to the issuance of Bond Conversion Shares will not be charged to the investor by the Company.

Dilution

The percentage of immediate dilution for Interoil's Shareholders who did not receive Bond Conversion Shares was approximately 36.7%.

Why is this prospectus being produced?

Reasons for the admission to trading

The Prospectus has been prepared in order to list the Bond Conversion Shares on the Oslo Stock Exchange.

Net proceeds

The Bond Conversion Shares were issued in connection with the conversion of bonds under the Company's Senior Secured Bond Loan (ISIN NO 0010729908) to equity of the Company, and the issuance did therefore not result in any proceeds for the Company.

Conflicts of interest

There are no material conflicts of interest pertaining to the listing of the Bond Conversion Shares on the Oslo Stock Exchange.