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To the bondholders in:

ISIN NO 001 0584683 – 15.00 per cent InterOil Exploration & Production ASA Senior Callable Bond Issue 2010/2016

Oslo, 15 December 2014

Proposed changes to loan agreement – Summons to Bondholders’ Meetings

Nordic Trustee ASA acts as trustee (the “**Bond Trustee**”) for the holders of the abovementioned bond issue with ISIN NO 001 0584683 (the “**Bond Loan**”) issued by InterOil Exploration and Production ASA (the “**Issuer**”, the “**Company**” or “**InterOil**”).

All capitalized terms used and not otherwise defined herein (including any attachment hereto) shall have the meaning assigned to them in the loan agreement for the Bond Loan dated 8 September 2010 (as amended) (the “**Bond Agreement**”).

The information in this summons regarding the Issuer is provided solely by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

1. BACKGROUND

To strengthen the financial position of the Company, InterOil has initiated a refinancing process. For more information on this process, we refer to press release issued by InterOil on 27 October 2014. Further, reference is made to the recent divestment of the Company’s subsidiary InterOil Exploration and Production Latin America AS, in an effort to facilitate a sustainable refinancing solution or other strategic options for the Company (the “**Restructuring**”).

Following the sale in Peru, all of InterOil’s exploration and production assets are in Colombia. Key assets include the Puli-C and Altair producing fields and the LLA-47 license, all in prolific onshore hydrocarbon provinces in the country. The Puli-C field produces around 1,600 barrels of oil equivalents per day net to InterOil, but requires new investments to maintain output at current level.

The Company has in recent months worked intensively on potential mitigating actions and solutions addressing its financial difficulties. The efforts have included strategic opportunities and discussions with parties interested in selected assets of the Company.

In order to allow the Company necessary time to further explore the refinancing options, and with the belief that such may create or preserve more values for the stakeholders, the Company is seeking a deferral of the interest payment due under the Bond Loan on 14 December 2014.

The deferral is required as the Company in light of its current financial position and outlook is unable to make such payments without prejudicing certain groups of creditors.

On the above basis, and in order to proceed with the refinancing process with the aim of reaching a sustainable solution acceptable to all stakeholders, the Issuer is hereby putting forward a request to the Bondholders for deferral of interest payments as further described in Section 2 below.

2. PROPOSAL

The Company has approached the Bond Trustee to convene a Bondholders' Meeting for the Bond Loan in order to consider the Company's request to defer payment of interest due on 14 December 2014 and to provide certain consents under the Bond Loan.

The Company hereby propose the following to the Bondholders' Meeting (the "**Proposals**"):

- A. The Bondholders consent to defer the interest payment due under the Bond Loan on the Interest Payment Date on 14 December 2014 (as adjusted for the Business Day Convention) (such interest payment the "Deferred Payment") to 14 March 2015 (the "Deferred Payment Date").

The Deferred Payment shall bear interests from and including the Interest Payment Date on 14 December 2014 but excluding the Deferred Payment Date at an interest rate equivalent to the interest rate according to Clause 9 plus 5.00 percentage points. The Deferred Payment shall be made to such persons who are entitled to receive the Deferred Payment on the Deferred Payment Date.

The Bondholders consent and agree that, until the Deferred Payment Date, the Bondholders will refrain and hereby instruct the Bond Trustee to refrain, from exercising any default or termination rights which may otherwise be or become available under the Bond Agreement due to the non-payment of the interest falling due on the Interest Payment Date on 14 December 2014, and refrain and hereby instruct the Bond Trustee to refrain, from taking any enforcement or similar action against the Issuer or any subsidiary of the Issuer or any of their assets, pursuant to or in connection with any of the Bond Agreements due to the non-payment of the interest falling due on the Interest Payment Date on 14 December 2014; provided however that the foregoing shall not apply, and the Bond Trustee (on behalf of the Bondholders) shall be at liberty to exercise any and all rights afforded under any Bond Agreement (and the deferral of interest shall end) in the event that:

- a. the Issuer notifies the Bond Trustee in writing or publicly announces in a press release that the Restructuring will be or has been abandoned;
- b. any enforcement or acceleration action is taken by or on behalf of any of the lenders under or in connection with any other indebtedness of InterOil Colombia Exploration & Production Inc.;

- c. any of Interoil Colombia Exploration & Production Inc.'s material exploration or production licenses are terminated by Agencia Nacional de Hidrocarburos (the "ANH"), or the ANH imposes any new materially onerous license conditions;
 - d. the Issuer or any subsidiary of the Issuer or any of their respective assets shall become subject to (i) the appointment of a liquidator, bankruptcy trustee, receiver, administrative receiver, administrator, compulsory manager or similar officer; or (ii) a winding-up, dissolution, administration or statutory reorganization;
 - e. the Issuer denies access to the Retention Account for the prompt payment of invoices for fees and expenses preapproved by the Issuer as reasonably incurred in relation to or arising from the Restructuring or the Bond Trustee's counsel and advisers pursuant to and in accordance with the terms of such counsel and advisers' engagement letters;
 - f. either the Issuer's shareholders in a general meeting or any of the former shareholders of Proseis AG rejects a restructuring proposal for which their approval is sought; or
 - g. the Issuer publicly proposes, by means of a notice to a shareholder meeting or otherwise, a restructuring proposal not agreed in advance with the ad hoc committee established among the Bondholders, or such committee concludes that it will be unable to agree with the Company a restructuring proposal that the Bondholders Committee will support.
- B. The Bondholders consent and agree that the Bond Trustee may, in its discretion, apply the amount standing to the credit of the Retention Account, in whole or in part, to cover fees and expenses reasonably incurred by it, or by the Bond Trustee's counsel and advisers, in relation to or arising from the Restructuring or otherwise as permitted by the Bond Agreement and (in the case of the Bond Trustee's counsel and advisers) pursuant to and in accordance with the terms of such counsel and adviser's engagement letters, and that the Retention Account shall be the primary source for payment of such fees and expenses.

The Bond Trustee shall be authorised, at its discretion, to consent to amendments to the terms and conditions of the Proposals and/or the Bond Agreement on behalf of the Bondholders where such amendments (i) are of minor or technical nature, (ii) are otherwise consistent with the Proposals and are required in order to implement the Proposals, or (iii) would not adversely affect the position of the Bondholders. The Bond Trustee shall be authorised to document the Proposals by way of addendums or amendment agreements to the Bond Agreement or otherwise.

Other than any amendments prompted by the Proposals, the terms and conditions of the Bond Agreement will remain unchanged and continue to apply in its existing form.

The amendments to the Bond Agreement pursuant to the Proposals shall take effect immediately upon approval by Bondholders' Meeting in the Bond Loan.

3. COMPANY UPDATE

For access to the latest quarterly reports and other recent presentations, please visit the Company's web site www.interoil.no, or www.newsweb.no for stock exchange announcements.

4. EVALUATION OF THE PROPOSAL

In the Issuer's opinion, the Proposals represent the best alternative given the current circumstances. It will allow the Company to continue to explore alternatives and prepare solutions which can create or preserve values for the stakeholders, which may also benefit the Bondholders compared to a structured process.

The Proposals will allow the Company to continue as a going concern whilst these efforts are ongoing.

For further information, the Bondholders may contact Mr Kristian Pande Horn by email kristian.pande.horn@arcticsec.no or telephone no. +47 21 01 32 74 or Mrs Birgitte Franing by email birgitte.franing@arcticsec.no or telephone no. +47 21 01 32 33.

5. NON-RELIANCE

The Proposals described herein is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. The Bondholders must independently evaluate whether the Proposals are acceptable and vote accordingly.

6. SUMMONS FOR BONDHOLDERS' MEETINGS

Based on the above information, the Bondholders are hereby summoned to a Bondholders' Meeting (the "**Bondholders' Meeting**"):

Time: 2 January 2015 13:00 hours (Oslo time)
Place: The premises of Nordic Trustee ASA
Haakon VII's gate 1 – 6th floor, Oslo, Norway

Agenda:

1. Approval of the summons
2. Approval of the agenda
3. Election of two persons to sign the minutes together with the chairman
4. Request for adoption of the Proposals
 - A. Deferral of interest payments as described in paragraph 2 A
 - B. Use of funds in Retention Account as described in paragraph 2 B

It is proposed that the Bondholders' Meeting under agenda item 4 resolve the following (the "**Resolution**"):

"The Bondholders hereby approves the Proposals as described in paragraph 2 A and paragraph 2 B of the Summons to this Bondholders' Meeting. The Bond Trustee is authorised to prepare, finalise and enter into the necessary agreements in connection with documenting the decisions made by the Bondholders' Meeting."

To approve the above resolution, Bondholders representing at least 2/3 of the Bonds represented in person or by proxy at the meeting must vote in favour of the Resolution. In order to form a quorum, at least 1/2 of the Voting Bonds must be presented at the meeting.

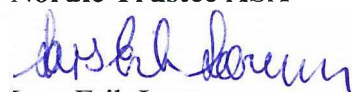
Attached hereto is a Bondholder's Form from the Securities Depository (VPS), which indicates your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the Bondholders' meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the Bonds, (ii) the aggregate nominal amount of the Bonds and (iii) the account number in VPS on which the Bonds are registered.)

The individual bondholder may authorise the Bond Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising the Bond Trustee to vote, must then be returned to the Bond Trustee in due time before the meeting is scheduled (by scanned e-mail, telefax or post – please see the first page of this letter for further details).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' Meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the Bondholders' Meeting, either in person or by proxy other than to the Bond Trustee, to notify the Bond Trustee by telephone or by e-mail (as set out at the first page of this letter) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the meeting takes place.

Yours Sincerely,
Nordic Trustee ASA


Lars Erik Lærum

Enclosure:
Bondholder's Form / Power of attorney form