

Disclosure Required by NYSE Listed Company Manual

The Company is classified as a “foreign private issuer” in connection with its listing on the New York Stock Exchange (“NYSE”), and as a result many of the governance rules of the NYSE that apply to U.S. domestic companies do not apply to the Company. However, as a Canadian public company, the Company has in place a system of corporate governance practices that meets or exceeds Canadian requirements.

Additionally, the NYSE listing standards require foreign private issuers to make certain corporate governance disclosures, including disclosure of any significant differences between its governance practices and the NYSE governance rules. The following is the NYSE required disclosure:

Presiding Director at Meetings of Non-Management Directors. Section 303A.03 of the NYSE Listed Company Manual requires “non-management directors” to schedule regular executive sessions with members of management present. “Non-management directors” are defined in Section 303A.03 as all directors who are not executive officers. The Company schedules executive sessions on a regular basis in which the Company's non-management directors meet without management participation. Dr. Gaylen Byker serves as the presiding director (the “Presiding Director”) at such sessions. The Board of Directors is responsible for determining whether or not each director is independent. The Board of Directors has adopted the director independence standards contained in Section 303A.02 of the NYSE’s Listed Company Manual for the purposes of satisfying the NYSE’s applicable governance requirements.

Communication with Non-Management Directors. Shareholders may send communications to the Company's non-management directors by writing to the Presiding Director, c/o Mark Laurie, Corporate Secretary, at Level 1, 60-92 Cook Street, Cairns, Queensland 4870 Australia, Telephone: +61 7 4046 4600. Communications will be referred to the Presiding Director for appropriate action. The status of all outstanding concerns addressed to the Presiding Director will be reported to the Board of Directors as appropriate.

Audit Committee. Section 303A.06 of the NYSE Listed Company Manual requires listed companies to have an audit committee composed entirely of independent directors. The Company has established an Audit Committee composed entirely of independent directors who qualify as independent under the requirements of Rule 10A-3 of the U.S. Securities Exchange Act of 1934, as amended (the “U.S. Exchange Act”), and Section 303A.07 of the NYSE Listed Company Manual. The Company also complies with Canadian Multilateral Instrument 52-110-Audit Committees, which sets out detailed requirements regarding the composition of the Audit Committee and its responsibilities.

Corporate Governance Guidelines. According to Section 303A.09 of the NYSE Listed Company Manual, a listed company must adopt and disclose a set of corporate governance guidelines with respect to specified topics. Such guidelines are required to be posted on the listed company’s website. The Company operates under corporate governance principles that are consistent with the requirements of Section 303A.09 of the NYSE Listed Company Manual, many of which are described under the heading “Statement of Corporate Governance Practice” in the registrant’s Annual Information Circular. However, the registrant has not codified its corporate governance principles into formal guidelines in order to post them on its website.

Shareholder Meeting Quorum Requirement. The NYSE governance rules do not contain a minimum quorum requirement for a shareholder meeting, but gives careful consideration to provisions in a listed company's bylaws that fixes a quorum for a shareholders' meeting at less than a majority of the outstanding shares. The Company's quorum requirement is set forth in its By-Laws. A quorum for a meeting of shareholders is present, irrespective of the number of persons actually present at the meeting, if the holder or holders of five percent (5%) of the shares entitled to vote at the meeting are present in person or represented by proxy.

Proxy Delivery Requirement. The NYSE requires the solicitation of proxies and delivery of proxy statements for all shareholder meetings, and requires that these proxies shall be solicited pursuant to a proxy statement that conforms to SEC proxy rules. The Company is a "foreign private issuer" as defined in Rule 3b-4 under the Securities Exchange Act of 1934, and the equity securities of the Company are accordingly exempt from the proxy rules set forth in Sections 14(a), 14(b), 14(c) and 14(f) of the Securities Exchange Act of 1934, as amended. The Company solicits proxies in accordance with applicable rules and regulations in Canada.

Board Committee Mandates. The mandates of the Company's Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee are each available for viewing on the Company's website at www.interoil.com/governance.asp, and are available in print to any shareholder who requests them. Requests for copies of these documents should be made by contacting Mark Laurie, Corporate Secretary, at Level 1, 60-92 Cook Street, Cairns, Queensland 4870 Australia, Telephone: +61 7 4046 4600.