



NORSK TILLITSMANN ASA

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To the bondholders in:

ISIN: NO 001 036356.7 – FRN Interoil Exploration and Production ASA Senior Secured Callable and Putable Bond Issue 2007/2012 (the “Secured USD Bond”)

Oslo, 19 January 2010

INFORMATION TO BONDHOLDERS – DEFAULT SITUATION

Norsk Tillitsmann ASA is appointed as Loan Trustee for **the Secured USD Bond**.

The Secured USD Bond is a senior secured bond issue with an outstanding amount of USD 115 000 000. The Bonds are secured by guarantees from InterOil Exploration and Production Latin America AS, InterOil Exploration and Production Africa AS and InterOil Exploration and Production Ghana AS. In addition the Secured USD Bond is secured by a share pledge over all the shares issued by the same mentioned guarantors.

Under the Loan Agreement of the Secured USD Bond, the Borrower had an obligation to pay an installment of USD 10 000 000 which was due on 4 May 2009. The Borrower failed to meet this payment obligation. Subsequently the entire Secured USD Bond was declared in default, and due for immediate payment. However, the Borrower had for some time a standstill agreement with major Bondholders of the Secured USD Bond, allowing the Borrower some time to remedy the situation. Despite extensions in the original timeline of the standstill agreement, the Borrower has not managed to remedy the situation. The standstill agreement has now been cancelled, and consequently the Borrower was again notified that the Bonds were due for immediate payment.

Enforcement proceedings of the security have been initiated.

An **information meeting** for the Bondholders is scheduled for:

Time: 28 January 2010 at 14:00 hours (Oslo time),

**Place: The premises of Norsk Tillitsmann ASA,
Haakon VII's gt 1, 0161 Oslo - 5th floor,**

in connection with a bondholders meeting for the two unsecured bond issues of the Borrower. The information meeting will be open for bondholders of both the secured and unsecured bond issues. The Borrower has indicated that they will be represented at the information meeting. Further information regarding the details of the information meeting may be announced at www.stamdata.no. It is anticipated that Bondholders may participate in the meeting via telephone.

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Further information related to the enforcement proceedings and process to recover the Bonds may be published on www.stamdata.no without distribution through the VPS. The Bondholders are encouraged to monitor the web site for updates.

Yours sincerely

Norsk Tillitsmann ASA

Jens Samuelsen