



## NEWS RELEASE

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### INTEROIL EARNS DECLARATION OF LOCATION AND RENEWAL OF PETROLEUM PROSPECTING LICENSES

**March 5, 2009** -- InterOil Corporation (IOC:NYSE Alternext US) (IOC:POMSoX) today announced that the Department of Petroleum and Energy of Papua New Guinea has issued a declaration of location for the Elk/Antelope field and renewed Petroleum Prospecting Licenses 236, 237 and 238 for a second five year term, after relinquishment of 50% of the licensed area selected by InterOil as required under relevant PNG legislation. The Declaration of Location is the initial step towards a Petroleum Development License, and is an approval required to move towards first production, through a liquid stripping plant currently under early stage review. InterOil believes it has captured the heart of the carbonate reef trend within its retained acreage and has a multi-year prospect inventory which is significantly de-risked given the recent success at the Elk and Antelope structures.

#### COMPANY DESCRIPTION

*InterOil Corporation is developing a vertically integrated energy business whose primary focus is Papua New Guinea and the surrounding region. InterOil's assets consist of petroleum licenses covering about 8.7 million acres, an oil refinery, and retail and commercial distribution facilities, all located in Papua New Guinea. In addition, InterOil is a shareholder in a joint venture established to construct an LNG plant on a site adjacent to InterOil's refinery in Port Moresby, Papua New Guinea.*

*InterOil's common shares trade on the NYSE Alternext US LLC (formerly the American Stock Exchange) in US dollars.*

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## Cautionary Statements

This press release may include “forward-looking statements” as defined in United States federal and Canadian securities laws. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the InterOil expects, believes or anticipates will or may occur in the future are forward-looking statements. In particular, this press release contains forward looking statements concerning production of hydrocarbons from the Elk/Antelope field. These statements are based on certain assumptions made by the Company based on its experience and perception of current conditions, expected future developments and other factors it believes are appropriate in the circumstances. No assurances can be given however, that these events will occur. Actual results will differ, and the difference may be material and adverse to the Company and its shareholders. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause our actual results to differ materially from those implied or expressed by the forward-looking statements. Some of these factors include the risk factors discussed in the Company’s filings with the Securities and Exchange Commission and SEDAR, including but not limited to those in the Company’s Annual Report for the year ended December 31, 2007 on Form 40-F and its Annual Information Form for the year ended December 31, 2007. In particular, there is no established market for natural gas in Papua New Guinea and no guarantee that gas or condensates from the Elk/Antelope field will ultimately be able to be extracted and sold commercially.

Investors are urged to consider closely the disclosure in the Company’s Form 40-F, available from us at [www.interoil.com](http://www.interoil.com) or from the SEC at [www.sec.gov](http://www.sec.gov) and its and its Annual Information Form available on SEDAR at [www.sedar.com](http://www.sedar.com).

We currently have no reserves as defined in Canadian National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities. All information contained herein regarding resources are references to undiscovered resources under Canadian National Instrument 51-101, whether stated or not.