

11 May 2018

(ASX CODE: IPB)

IDRIS PROSPECTIVE RESOURCES SIGNIFICANTLY INCREASED

IPB Petroleum announces a substantial increase to the estimated oil resources at Idris in the Company's 100% held WA-424-P Permit in the Browse Basin offshore North West Australia.

Following the recent completion of the Company's 3D seismic reprocessing and depth conversion project, IPB has now completed a thorough technical review of the prospective oil resources attributed to the Idris prospect. As a result the Prospective Resources for the Idris prospect have increased on a most likely basis (P50) from 33 MMBLS to 69 MMBLS of oil (recoverable), whilst the Geological Chance of Success being an oil discovery at Idris is now estimated to be 40%. Similar prospective resources increases were registered at the Low Estimate (P90), and High Estimate Level (P10) to being 20 MMBLS of oil (recoverable) and 159 MMBLS of oil (recoverable) respectively.

Brendan Brown IPB's Managing Director commented, *"The results of our continued investment in further technical work at Idris has delivered an increase in our confidence of a substantial and if successful, likely commercial accumulation at Idris. We have already received a healthy level of interest from industry in learning more about our recent work, which bodes well for the commencement of our revised farmout presentations due to commence next week."*

| Prospect | Prospective Resources Million Barrels of Oil (Unrisked) ₁ | | | Pg ₂ % | Pd ₃ % |
|----------|---|---------------|---------------|-------------------|-------------------|
| | Low Estimate | Best Estimate | High Estimate | | |
| Idris | 19.8 | 68.6 | 159 | 40 | 98 |

Table 1 : Prospective Oil Resources Attributed to Idris (WA-424-P IPB 100%)

The resources estimates contained in Table 1 have been prepared in accordance with SPE-PRMS and adherence to Chapter 5 of the ASX Listing Rules. The Evaluation Date is 10 May 2018.

Subscript 1 : Prospective resources are estimated quantities of petroleum that may potentially be recovered by the application of future development project(s) and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

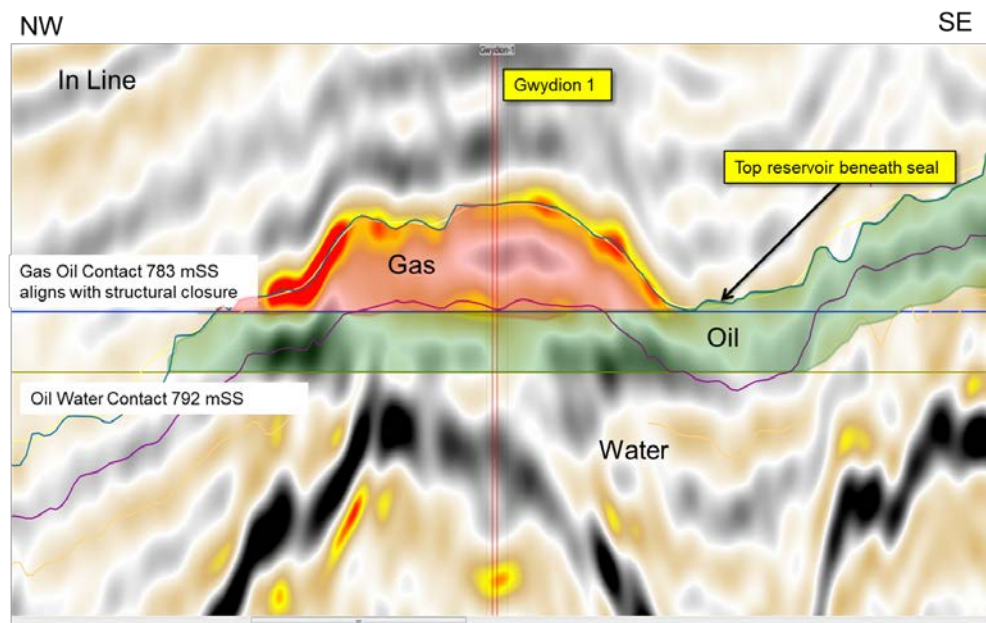
Subscripts 2 & 3: The Company has also completed its risking of these prospective resources, and provides both a geological risk Pg (ie chance of discovery) as well as a chance of development, Pd, assuming a successful discovery.

Basis of Estimation:

The Idris prospective resources were based on the result of the recent depth conversion project covering a 75km² area over the WA-424-P permit's Gwydion oil discovery, and updip area. IPB's interpretation that the oil leg measured and sampled at Gwydion lies below the 3D seismically derived structural spill point, indicative of a much larger oil accumulation contained in a stratigraphic trap.

Based on the measured well data at Gwydion, and considering comparable petroleum geological and reservoir parameters of other regional analogue fields such as the Stag field in the Carnarvon Basin, IPB has calculated a range of resource estimates probabilistically resulting in those resources disclosed in Table 1.

IPB also completed an internal risk review resulting in the quoted Pg (Table 1) being IPB's estimate of the geological chance of success in relation to a stratigraphic accumulation at Idris. Assuming future exploration success, IPB conducted an internal assessment of the likelihood of development Pd. Accordingly, based on an estimated minimum recoverable economic volume threshold at Idris of approximately 10.8 MMBBLS IPB derived a Pd (Table 1) being the estimated probability of exceedence above this minimum estimated commercial threshold in the event of a discovery.



3D Seismic Line over Gwydion and Idris (in depth) with oil and gas and water contacts superimposed as measured in the Gwydion 1 well

Preparation of Resources by Qualified Petroleum Reserves and Resources Evaluators

Idris Prospective Resources Estimates Preparation:

The estimates of Prospective Resources associated with the Idris Prospect have been prepared by Mr Philip Smith, BSc(Physics), MSc Geophysics, Grad Dip App Fin & Inv, Technical Director of IPB Petroleum and Mr Brendan Brown BSc, BE (Hons), MBA FFin , Managing Director of IPB Petroleum. Mr Brown is a qualified Engineer with over 25 years experience in the oil and gas and finance industries. His experience includes economic modelling and valuation of oil and gas assets and he is a Life Member of the Society of Petroleum Engineers. Mr Smith is a Senior Explorationist with over 30 years experience in petroleum geophysics, geology, prospect generation and evaluation, and project level risk and resources estimations, industry management and is a Member of the Petroleum Exploration Society of Australia. Mr Brown and Mr Smith has consented to the inclusion of the resources estimates in this document in the form and context in which they have been included.

About IPB Petroleum

IPB Petroleum is an Australian conventional oil exploration company that has built a strategic position in what it believes to be a potential new oil fairway along the south margin of the Browse Basin offshore North West Australia.

For further information contact Brendan Brown, Managing Director +61 3 9598 0188 or admin@ipbpet.com.au