

NSX Announcement

26 October 2018

Update on Ex-Employee Claim against the Company and its Directors

Further to the announcement made on 18 July 2018, International Petroleum Limited (NSX:**IOP**) (**International Petroleum** or the **Company**) would like to provide an update on a wrongful dismissal claim and other employment related claims brought against the Company and two of its Directors by a former employee of the Company.

The Company advises that the judgment of the Court of Appeal has now been received.

The Court of Appeal dismissed the appeal of the Directors of the Company and maintained the finding that the Directors can be held personally liable and be accountable for the financial consequences.

The Company initially sought permission to appeal, but its application was adjourned until the full hearing and conclusion of the Directors' appeal because it was unclear how the pleaded grounds affected the liability of the Company. Therefore, the Company was not a party to the Court of Appeal proceedings after a consent order was made dismissing the Company's appeal.

The Directors of the Company are currently reviewing their options for appeal. An announcement will be released once a decision is made.

Yours faithfully,

Tony Sage
Chairman

