

NSX Announcement  
22 October 2010**Sale of Unmarketable Parcels of IOP Shares**

The Directors of International Petroleum Limited (**NSX: IOP**) ("**International Petroleum**" or the "**Company**") are pleased to announce that International Petroleum has established a sale facility for unmarketable parcels of International Petroleum shares.

An unmarketable parcel is a parcel of shares valued at less than \$500 as at the close of trade on 21 October 2010.

The Company currently has 2,092 shareholders of which 727 hold less than a marketable parcel. Those holdings, which total 512,753 shares, represent 0.05% of the Company's total issued shares.

Those shareholders which hold an unmarketable parcel of shares will be sent a notice advising them of this fact ("**Notice**").

Unless those shareholders who receive a Notice advise the Company's share registry by 5:00pm (WST) on 15 December 2010 that they want to retain their shares, their shares will be sold and they will be sent the sale proceeds.

The share sale facility has been established in accordance with the Company's Constitution.

If you receive a Notice and want to sell your shares under the facility – you do not need to do anything.

Your shares will be sold on your behalf by International Petroleum after 15 December 2010. You will not need to appoint a broker or pay the brokerage and handling costs associated with the sale of shares under the facility. Any tax consequences from the sale of your shares will be your responsibility.

If receive a Notice and you wish to retain your shares - you must return the Notice of Retention Form which will be enclosed with the Notice. The Notice of Retention Form must be returned so that it is received by 5:00pm (WST) on 15 December 2010. The sale facility will be open until this date.

Further information as to the progress of the unmarketable parcel sale facility will be released in the coming weeks.

Please contact the Company on +61 8 9388 0744 or International Petroleum's share registry on 1300 85 05 05 (inside Australia) or on +61 3 9415 4000 (outside Australia) if you have any queries about lodging the Notice of Retention Form or the practical operation of the Facility.

Yours faithfully  
International Petroleum Limited

Tim Turner  
**Company Secretary**

