

NSX Announcement  
4 April 2011

ABN: 76 118 108 615  
Corporate Office

18 Oxford Close  
Leederville, WA 6007

P.O. Box 144  
West Perth, WA 6872

T +61 8 9388 0744  
F +61 8 9382 1411  
E [admin@intpet.com.au](mailto:admin@intpet.com.au)  
W [www.internationalpetroleum.com.au](http://www.internationalpetroleum.com.au)

## **Drilling update at Krasnoleninskiy Exploration Project**

International Petroleum Limited (**NSX: IOP**) ("**International Petroleum**" or the "**Company**"), an oil and gas exploration company with assets in Kazakhstan and Russia, is pleased to announce that it has commenced drilling Well No. 1 at the Krasnoleninskiy Exploration Project, Khanty-Mansiysk Autonomous Region, Western Siberia, Russia ("Krasnoleninskiy Project"). Well No. 1 has a planned target depth of 2,850 metres to investigate Cretaceous through the weathered crust of the Paleozoic formations.

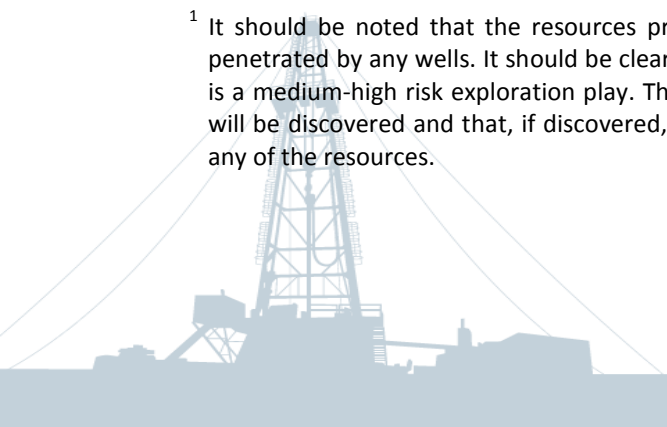
Well No. 1 is the first of four planned wells to be drilled at the Krasnoleninskiy Project and will be drilled simultaneously with Well No. 2, where drilling is expected to commence by the end of April 2011. These two wells are being drilled in two of the Company's four licensed blocks covering a total area of 1,467 km<sup>2</sup>, located in the Khanty-Mansiysk Autonomous Region in Western Siberia, the largest oil-producing region of Russia. Well No. 1 and Well No. 2 are expected to reach total depth by the end of the second quarter.

The area comprising the Company's four licence blocks has been extensively surveyed by 1,450 metres of closely spaced 2D seismic, which identified more than thirty prospects, including five "superstructures", where formations from Paleozoic up through Cretaceous stack upon each other, offering the potential of multiple producing zones from a single well. Ryder Scott Company-Canada, an independent oil and gas consultant, estimated the unrisks prospective (undiscovered recoverable) resources of the four blocks at 169 (Low Estimate), 260 (Best Estimate) and 385 (High Estimate) million barrels<sup>1</sup>. Based on the undiscovered unrisks resource estimates and scoping type resource economic evaluation reports from Ryder Scott Company-Canada, the Company believes that Krasnoleninsky Project has significant exploration potential.

Yours faithfully

Tony Sage  
**Non-Executive Chairman**

<sup>1</sup> It should be noted that the resources prospects evaluated are all seismic features, which have not been penetrated by any wells. It should be clearly understood that the resources are undiscovered and the project is a medium-high risk exploration play. There is no certainty that any portion of the undiscovered resources will be discovered and that, if discovered, may not be economically viable or technically feasible to produce any of the resources.



For further information, please contact:

Tony Sage  
Non-Executive Chairman  
International Petroleum Limited  
Ph: +61 8 9388 0744

Claire Tolcon  
Company Secretary  
International Petroleum Limited  
Ph: +61 8 9388 0744

David Tasker  
Professional Public Relations  
Ph: +61 8 9388 0944/ +61 433 112 936  
Em: david.tasker@ppr.com.au

Eloise von Puttkammer  
Investor Relations  
International Petroleum Limited  
Ph: +61 8 9388 0744

### About International Petroleum

International Petroleum is an oil and gas exploration company.

The Company is listed on the National Stock Exchange of Australia (**NSX: IOP**).

The Company's key asset is its 50% interest in an early stage project in eastern and south eastern Kazakhstan ("**Kazakhstan Project**"). The Kazakhstan Project covers 24,649 km<sup>2</sup> in eastern Kazakhstan and borders the western boundary of the People's Republic of China. International Petroleum's subsidiary company, North Caspian Petroleum Limited, has exclusive exploration rights to the Kazakhstan Project until November 2012.

Whilst the Company is focused on exploration at its Kazakhstan Project, it intends to review nearby or similar provinces for potential opportunities. In October 2010, the Company took the first step towards expanding its exploration acreage through the acquisition of an indirect 75% equity interest in a Russian company, Irtysh-Neft which holds licence rights to explore four blocks covering a total area of 1,467 km<sup>2</sup>, located in the Khanty-Mansiysk Region in Western Siberia ("**Krasnoleninskiy Blocks**") – the largest oil producing region of Russia.