

NSX Announcement
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Krasnoleninsky licence extensions

International Petroleum Limited (**NSX: IOP**) ("**International Petroleum**" or the "**Company**"), an oil and gas exploration company with assets in Russia and Kazakhstan, is pleased to announce changes to the expiry dates and other terms of the four exploration licences, covering four blocks with a total area of 1,467 km², located in the Khanty-Mansiysk Autonomous Region in Western Siberia, the largest oil-producing region of Russia in Western Siberia (the "**Krasnoleninsky Project**").

The expiry date of all four licences has been extended to 31 December 2015 and the following licence commitments have been added:

1. Licence over block 7: second exploration well to be completed by 31 July 2015 (i.e. in addition to Well No. 1 that has already been drilled);
2. Licence over block 8: second exploration well to be completed by 31 July 2015 (i.e. in addition to Well No. 2 that has already been drilled);
3. Licence over block 9: second dependent exploration well to be completed by 31 July 2015 (i.e. dependent on the successful outcome of the first exploration well, which the Company plans to complete by 31 December 2012); and
4. Licence over block 10: second dependent exploration well to be completed by 31 July 2015 (i.e. dependent on the successful outcome of the first exploration well, which the Company plans to complete by 31 December 2012).

Commenting on the, Chris Hopkinson, International Petroleum CEO said *"The award of the extensions to our licence blocks in the Krasnoleninsky Project is an important milestone for International Petroleum for this project and for our operations in the Khanty-Mansiysk Region. Having made two commercial discoveries in blocks 7 and 8 this year, we have significantly de-risked the numerous other prospects in the blocks, and this extension will provide the Company with the necessary time to explore them fully. Equally importantly, the extensions are a strong indication of the Licence Commission's support for our activities in the region. Only a year after International Petroleum's purchase of the 75% interest in the Krasnoleninsky Project, these extensions are a tribute to the strategy, dedication and success that the regional team has demonstrated. We now intend to build on these successes by bringing the two discovery wells onto production in early 2012 and drilling a further two exploration wells into other de-risked prospects during the same year."*

Yours faithfully

Tony Sage
Non-Executive Chairman



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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 owns a 75% equity interest in the exploration rights to four blocks, covering a total area of 1,467 km², located in the Khanty-Mansiysk Autonomous Region in Western Siberia, the largest oil-producing region of Russia in Western Siberia (the “**Krasnoleninsky Project**”). During 2011, the Company drilled two exploration wells in the Krasnoleninsky Project and discovered commercial quantities of oil in both wells.

In August 2011, the Company signed a Share Purchase Agreement to acquire 100% of the shares in Vamaro Investments Limited (“**Vamaro**”) with its current shareholder. Vamaro owns two licences for geological study of subsoil, prospecting and extraction of oil and gas in the Khanty-Mansiysk Autonomous Region in Western Siberia (the “**Vamarov Project**”).

The Company also owns a 50% interest in an early stage project covering 24,649 km² in eastern and south eastern Kazakhstan (“**Kazakhstan Project**”), which 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 projects in Russia and Kazakhstan, it continues to evaluate other projects for potential acquisition.