

NSX Announcement
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Tubatse Project Mining Right Granted

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 note the recent announcement by Nkwe Platinum Limited (**ASX: NKP**) ("**Nkwe**") advising that the Department of Mineral Resources of the Republic of South Africa ("**DMR**") has granted a mining right ("**Hoepakrantz Mining Right**") in respect of the Hoepakrantz farm, which is one of the three farms that comprise the Tubatse Project, in which the Company currently owns a 10% interest.

On 16 February 2012, Nkwe announced the grant of the Hoepakrantz Mining Right along with the grant of mining rights over another two farms, in which the Company does not have a direct interest, and stated that the grant of the mining rights confirms the legal tenure that it has over those farms.

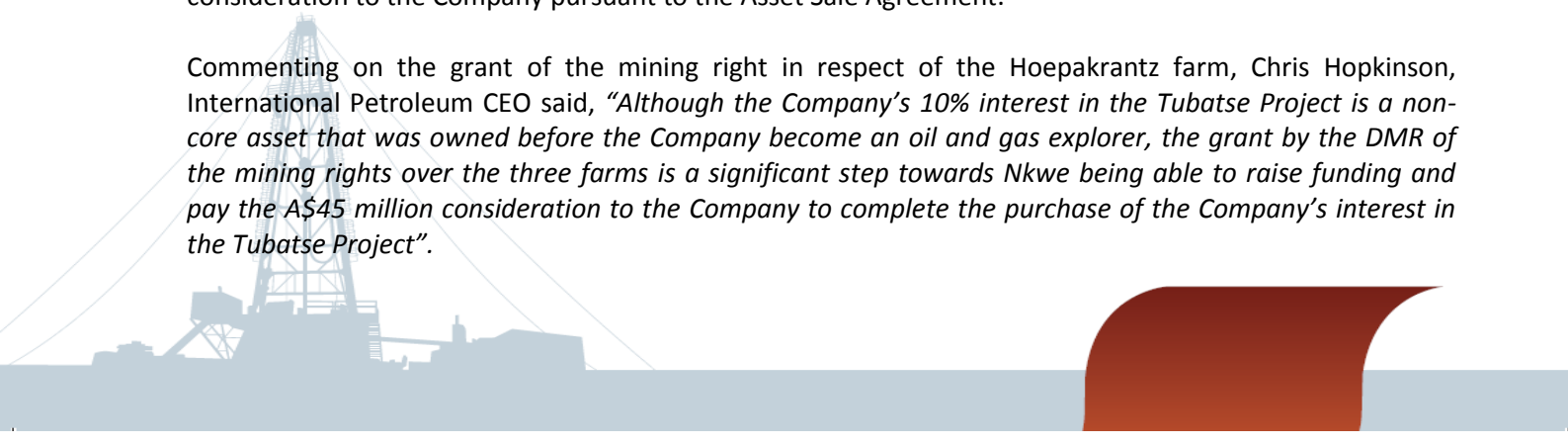
In October 2009, the Company entered into an asset sale agreement (the "**Asset Sale Agreement**") with Nkwe to sell its interest in the Tubatse Project to Nkwe.

In recent months, the Company entered into agreements with Nkwe to vary the terms of the Asset Sale Agreement relating to the sale of its remaining 10% interest in the Tubatse Project in order to reduce the consideration payable by Nkwe to the Company from A\$50 million to A\$45 million (except in the event of a change of control in Nkwe, upon which the consideration payable by Nkwe would be A\$50 million) to be paid by 30 June 2012 and removing the conditions precedent that had been required to be fulfilled in order for the consideration to be payable.

On 23 December 2011, Nkwe announced that it had been trying to settle a dispute about the ownership of certain mineral farms in South Africa and that there had been substantial agreement between the parties, but that certain technical difficulties had arisen and a concerted effort was being made to find resolution in the quickest possible time frame. As a result of the release of the announcement by Nkwe on 16 February 2012, Nkwe's securities resumed trading on the ASX from 17 February 2012.

Nkwe has indicated to the Company that, once it releases an announcement regarding a binding outcome of this dispute, it will be able to raise the funding it needs in order to pay the A\$45 million cash consideration to the Company pursuant to the Asset Sale Agreement.

Commenting on the grant of the mining right in respect of the Hoepakrantz farm, Chris Hopkinson, International Petroleum CEO said, *"Although the Company's 10% interest in the Tubatse Project is a non-core asset that was owned before the Company become an oil and gas explorer, the grant by the DMR of the mining rights over the three farms is a significant step towards Nkwe being able to raise funding and pay the A\$45 million consideration to the Company to complete the purchase of the Company's interest in the Tubatse Project"*.



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 has established a sponsored Level 1 American Depositary Receipt ("**ADR**") program with BNY Mellon and the ADR is quoted on OTCQX International (**OTCQX: ITPLY**).

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.

The Company owns a 75% equity interest in an exploration licence in the Tomsk region of Western Siberia (the "**Tomsk Exploration Licence**" or the "**Druzhny 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.

In August 2011, the Company signed a Share Purchase Agreement to acquire 100% of the shares of 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**"). Completion of the acquisition of Vamaro is expected to occur by the end of February 2012.

Whilst the Company is focused on exploration at its existing projects in Russia and Kazakhstan, it continues to review other companies and areas, such as Russia and Africa, for opportunities to acquire additional exploration and/or production projects.

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