

(ASX CODE: IPB)

## IPB RESOURCES UPDATE INCLUDING HIGH-GRADED IDRIS PROSPECT

IPB Petroleum is pleased to disclose its assessment of oil resources associated with the Idris Prospect in WA-424-P (IPB 100%). As part of this announcement, the Company also provides an update of resources associated with the exploration prospects, leads and plays within the balance of the Company's Browse Basin Permits.

### 1.0 Idris Prospect (WA-424-P IPB 100%)

Following the completion of a detailed technical review of the Gwydion oil discovery in the WA-424-P permit IPB has now finalized an estimate of resources associated with the Idris prospect.

Contingent resources previously associated with the Gwydion oil discovery are now included within the Idris prospect volumes under structural closure. Similarly, prospective resources previously associated with the Mathonwy prospect are now included in the Idris prospect volumes.

Field	Contingent Resources Million Barrels of Oil			Pg <sub>4</sub>	Pd <sub>5</sub>
	1C	2C	3C		
Idris <sub>1</sub>					
	3.4	5.4	7.7	(discovered)	n/a
Prospect	Prospective Resources Million Barrels of Oil (Unrisked)			Pg <sub>4</sub>	Pd <sub>5</sub>
Idris <sub>2</sub>	Low Estimate	Best Estimate	High Estimate		
	10.1	27.4	70.6	33%	94%
Total	Addition of Contingent and Prospective Resources Million Barrels of Oil (Unrisked)			Pg <sub>4</sub>	Pd <sub>5</sub>
Idris <sub>3</sub>	1C+ Low Estimate	2C+Best Estimate	3C+ High Estimate	(prospective resources only)	
	13.5	32.8	78.3	33%	94%

**Table 1 : Oil Resources Attributed to Idris (WA-424-P, Contingent and Prospective Resources)**

The resources estimates contained in Table 1 have been prepared in accordance with SPE-PRMS and adherence to Chapter 5 of the ASX Listing Rules.

**With reference to Table 1:**

*Subscript 1:* Previously referred to as Gwydion. Contingent oil resources associated with this discovery remain unchanged and are as disclosed in the Technical Experts Report relating to Gwydion in IPB's 2013 Prospectus and based on the assumptions disclosed and contained within that report.

*Subscript 2:* Prospective resources are estimated quantities of petroleum that may potentially be recovered by the application of future development project(s) and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

*Subscripts 3, 4 & 5:* The Company has also completed its risking of these prospective resources, and provides both a geological risk Pg ( ie chance of discovery) as well as a chance of development, Pd, assuming a successful discovery. For disclosure purposes we have also provided these adjacent to the arithmetically combined contingent and prospective resources estimates although the Pg only applies to the prospective resources as the contingent resources are by definition discovered.

**Basis of Estimation:**

The Idris prospective resources were based on IPB's interpretation that the 10m oil leg measured and sampled in the Gwydion discovery well (BHP 1995) is below the 3D seismically derived structural spill point, therefore opening up the possibility of a larger oil accumulation in a stratigraphic extension of the discovery.

Based on the measured well data at Gwydion, and considering petroleum geological and reservoir parameters of other regional analogue fields such as the Stag field in the Carnarvon Basin, IPB has calculated a range of resource estimates probabilistically resulting in those resources disclosed in Table 1.

IPB also completed an internal risk review resulting in the quoted Pg (Table 1) being IPB's estimate of the geological chance of success in relation to the possible stratigraphic extension of Idris. Assuming future exploration success, IPB conducted an internal assessment of the likelihood of development Pd. Accordingly, based on an estimated minimum recoverable economic volume threshold at Idris of approximately 10.8 MMBBLS IPB derived a Pd, to be approximately 94%.

**Future Exploration Activities**

The revised work programme for permit WA-424-P includes seismic reprocessing and inversion analysis within the current permit year (Permit Year 4), with an exploration well to be drilled in third year of the Secondary Term (Permit Year 6). Although the obligation to drill an exploration well in WA-424-P does not occur until the commencement of Permit Year 6, it is IPB's intention is to bring forward the drilling of this well (on the Idris prospect) through a future work carry resulting from a farmout process budgeted to commence during May 2015.

## 2.0 Balance of IPB Resources

Following a detailed analysis of the results of the Pryderi well in addition to the new resources now attributed to the Idris prospect, IPB updates the remaining resources in the balance of its portfolio as follows.

### Changes in Company disclosed resources:

A removal of Mathonwy, as it is now included in the Idris prospective resources volumes.

A removal of the Pryderi prospect, similar Arianrhod and 2D Pryderi channel leads, in WA-424-P and the extension thereof into WA-485-P, referred to previously as M.Australis 2D leads.

No other changes to remaining prospects and leads being the Mordred leads or Tristram leads have been made as these are considered by IPB to be independent to Pryderi.

A summary IPB's total resources are provided as follows:

Field	Contingent Resources Million Barrels of Oil			Pg
Idris	1C	2C	3C	
	3.4	5.4	7.7	100%
Prospect	Prospective Resources Million Barrels of Oil (Unrisked)			Pg
Idris	Low Estimate	Best Estimate	High Estimate	
	10.1	27.4	70.6	33%
Leads	Prospective Resources Million Barrels of Oil (Unrisked)			Pg
	Low Estimate	Best Estimate	High Estimate	
Mordred (structural)	46	63	85	20%
Tristram (Oil Case)	113	239	483	4%

**Table 2: IPB Petroleum Total Resources WA-424P (IPB 100%)**

## With Reference to Table 2:

The resources quantities contained within this table have been prepared in full compliance and adherence to the Society of Petroleum Engineers Guidelines for the application of the Petroleum Resources Management System (SPE-PRMS) [www.spe.org](http://www.spe.org).

Prospective Resources are estimated quantities of petroleum that may be potentially recovered by the application of future development project(s) that relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration and appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. Pg in Table 2 is the estimated geological chance of success in relation to the prospective resources quoted.

## Preparation of Resources by Qualified Petroleum Reserves and Resources Evaluators

### ***Idris Prospective Resources Estimates Preparation:***

*The estimates of Prospective Resources associated with the Idris Prospect have been prepared by Mr Philip Smith, BSc(Physics), MSc Geophysics, Grad Dip App Fin & Inv, Technical Director of IPB Petroleum. Mr Smith is a Senior Explorationist with over 30 years experience in petroleum geophysics, geology, prospect generation and evaluation, and project level risk and resources estimations, industry management and is a Member of the Petroleum Exploration Society of Australia. Mr Smith has consented to the inclusion of the resources estimates in this document in the form and context in which they have been included.*

### ***Other Resources Estimates Preparation:***

*In relation to Idris Contingent resources (previously referred to by IPB as Gwydion Contingent Resources) and all Prospective Resources other than that of Idris referred to in this document jointly referred to here as "Other Resources" were independently estimated by ISIS Petroleum Consultants Pty Ltd (ISIS) for and on behalf of IPB Petroleum Ltd in 2013.*

*These Other Resources were initially released in the Independent Technical Expert's Report by ISIS published in IPB's Prospectus dated 1 March 2013. IPB Petroleum is not aware of any new information or data, that materially affects the information relating to these Other Resources, and all material assumptions and technical parameters underpinning these Other Resources estimates continue to apply and have not materially changed.*

## About IPB Petroleum

IPB Petroleum is an Australian conventional oil exploration company that has built a strategic position in what it believes to be a potential new oil fairway along the south margin of the Browse Basin offshore North West Australia.

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