



IPB Petroleum Limited

ABN 52 137 387 350

CHAIRMAN'S ADDRESS TO THE 2016 ANNUAL GENERAL MEETING OF SHAREHOLDERS

Good morning fellow shareholders.

Despite the interesting times for not only our industry but for the entire world, I remain comfortable that IPB is pursuing appropriate strategies to achieve value for shareholders.

We continue to steward the company's assets and have maintained our three permits in the Browse Basin in good standing. Nevertheless our permits have substantial remaining future work obligations including new 3D seismic and drilling which are required to be completed in order to retain these permits

Consistent with our stated objectives, the company, under the technical leadership of Brendan Brown and Phil Smith, has actively pursued a farm-out of the opportunity at Idris, centred around the existing oil discovery at Gwydion in WA424P, where we have identified a likely stratigraphic trap with significant upside oil potential, as well as promoting the overall prospectivity across all three of our Browse Basin permits.

A number of companies have expressed genuine interest and advise us that they are currently reviewing the technical data and commercial terms, from which they may ultimately make a positive decision to farm-in.

While we are therefore pleased to have achieved some traction with reputable potential joint venturers, their processes have been necessarily and at times frustratingly time-consuming and uncertain as these companies conduct their own reviews, due diligence and approvals within a challenged industry backdrop.

Accordingly the company is not solely focussed on farm-outs: we have regularly reviewed other possible opportunities and mechanisms which could be in the best interest of shareholders. I repeat what I said last year: your directors are keenly aware of their responsibilities and have been conscientious in their deliberations to ensure that all appropriate options are considered.



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I am also satisfied that we have maintained a level of momentum at minimum cost as we continue to closely monitor the company's financial situation. As advised last year, all remuneration arrangements have been restructured but in recognition of the Board's contributions, shareholders have the opportunity at this AGM to approve the issue of options to each director under the Employee Option Plan. I commend not only the efforts of my fellow directors to you but also these resolutions, and I trust all shareholders will benefit together from improved industry conditions and success in our endeavours.

Bruce McKay

Chairman

17 November 2016