
WA-424-P Proposed Drilling and Testing Programme and Funding

IPB Petroleum Limited (“IPB”) has appointed Atoll Financial (“Atoll”), an experienced cross-border finance house, to arrange debt finance to fund IPB’s proposed Drilling Logging and Testing programme (“DLT Project”) within its WA-424-P exploration permit.

IPB will be seeking to raise the required funds by way of a debt issue with the assistance of Atoll through its network of authorised international financial intermediaries and institutions in the Middle East and elsewhere. The process is expected to take around 4 months in total to complete.

The Use of Funds

The funds if successfully raised, are to be applied towards IPB’s proposed DLT Project and IPB is seeking sufficient capital to cover the maximum estimated drawdowns required to fully fund the project.

Proposed DLT Project

The DLT Project involves the proposed drilling of a well at Idris and to then complete a flow test of a subsequent horizontal well to assess the extent of the oil discovered by Gwydion-1. The objective of the project is to help better define reservoir size and resources, which has been difficult to refine on the current 3D data set given the stratigraphic nature of the reservoir. The oil flowed during the test is to be transferred to a chartered tanker and subsequently sold. Drilling is projected to occur no earlier than first quarter 2020, with Environmental Approvals being critical path items. Environmental Plan activities have recently commenced.

Proceeds from the flow test sales are to applied to repay debt funding and any surplus distributed to financiers and IPB.

Brendan Brown IPB’s Managing Director commented, “ *We are excited about this next step of progressing our proposed DLT Project from the concept and feasibility stage, through to planned financing. If successful, IPB will then have the funds to drill our Idris well and also gain through a lengthened production test a much better understanding of the potential size of the accumulation encountered with the Gwydion-1 well for a potential full field development.*”

About Atoll Financial

Atoll Financial with offices in Sydney, Australia and Dubai, UAE specializes in facilitating access to cross border finance through securities issuance for clients and investors based in Australia, the Middle East and China. Over the past 10 years, Atoll has been successful in advising and assisting with numerous development

financing and trading-exchange creation and listings of securities in Bahrain, Iraq, Kurdistan, UAE, Saudi Arabia, Yemen, PNG, East Timor, Cambodia, Phillipines and Australia.

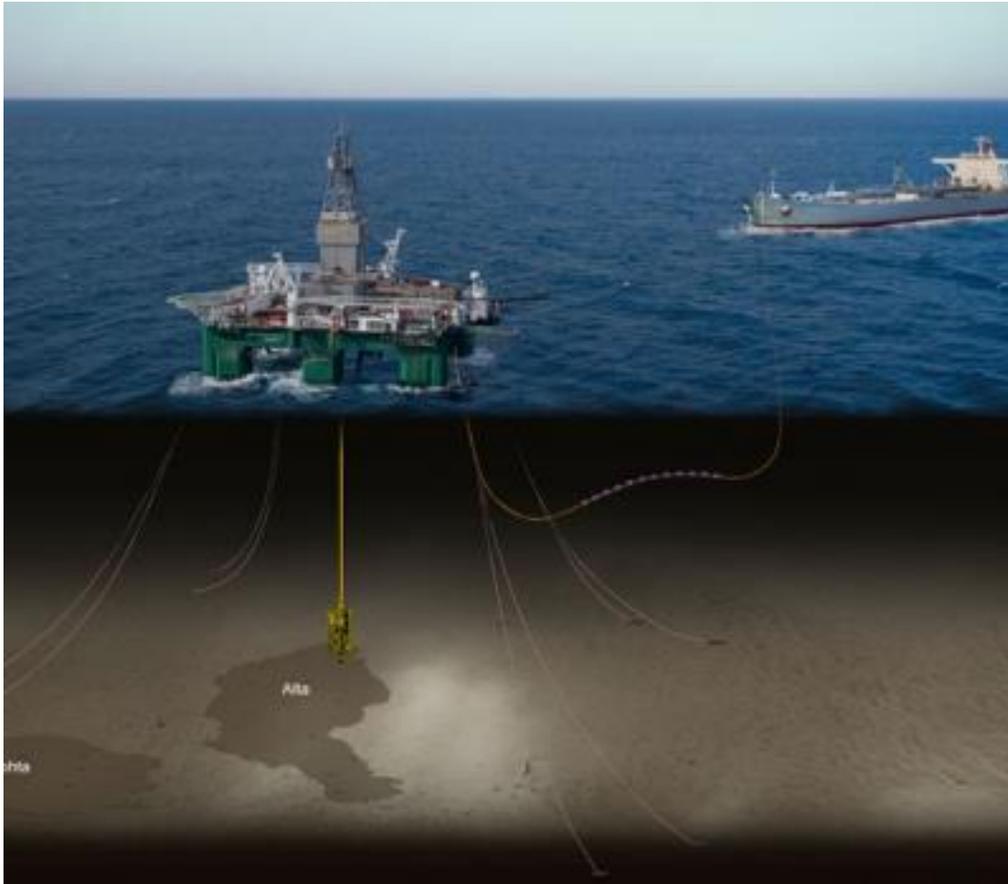


Image of drill rig well flow test and collection oil tanker (courtesy - Lundin Petroleum)

The Fees to be paid to Atoll Financial by IPB associated with its engagement are as follows:

- A Monthly Retainer,
- Success fee based on debt funds successfully raised
- An issue of 2.1 million options over new shares with an exercise price of 20 cents, and not exercisable before successful completion of the debt finance and a life of 3.5 years.

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