

3 August 2021

SUCCESSFUL PLACEMENT COMPLETED TO RAISE \$0.875 MILLION

IPB Petroleum Limited “IPB Petroleum” (ASX: IPB or the Company) announces that it has received firm subscriptions for a Placement of approximately 50 million new shares to be issued at 1.75 cents per share to Institutional, Professional and Sophisticated investors both domestically and internationally.

The proceeds of the Placement will be applied towards funding activities including:

- Funding technical studies and analyses for the Idris well
- Progress discussions with regulators and government for proposed work programme for WA-424-P, and
- General working capital.

The Placement managed by Sanlam Private Wealth Ltd (Sanlam) received strong support from larger existing and new professional and sophisticated investors.

The Placement price of 1.75 cents represents just under a 25 % discount to IPB’s 15 day trailing volume weighted average price of 2.33 cents. Fees payable to the manager total 6.0% of the funds raised.

Settlement of the shares is expected to occur on Friday 6 August 2021.

Following settlement of the Placement shares, the Company’s issued share capital will expand from approximately 286.9 million ordinary fully paid shares to approximately 336.8 million fully paid ordinary shares.

Accordingly, IPB now requests ASX release the trading halt over its shares prior to the commencement of trading on ASX this Tuesday 2 August 2021.

Farmout and Funding Update

The Company announced late last year its farmout to Quay Resource Investments with a two-tiered funding structure where Tranche A to be provided by Quay consists of US\$31 million of which \$6 million is prepaid interest and US\$3.75 million is paid to IPB Petroleum for back costs, leaving US\$21.25 million to be paid towards the Idris appraisal well.

If successful Quay then have an option to provide Tranche B funding for the development of the stage 1 of a future development for US\$175m net else they forfeit 15% of the Permit back to IPB. Both Tranches are repayable severally by IPB and Quay according to their future working interest in the WA=424-P permit, with limited recourse to the permit only and out of future proceeds from total JV production sales.

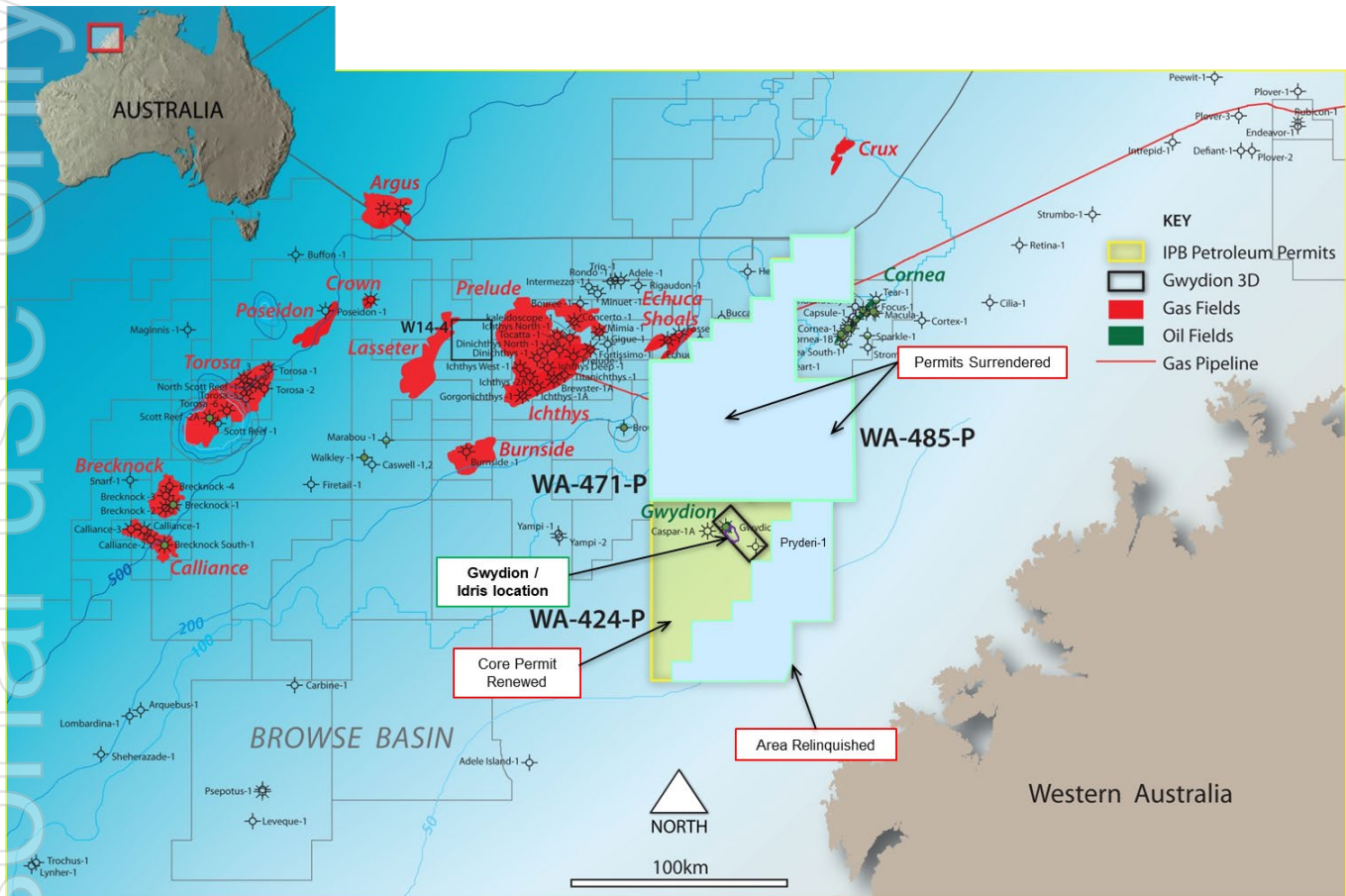
Delays with Quay securing its funding whilst IPB have been progressing studies on the Idris well has compelled IPB to complete this placement.

IPB have been advised and has agreed with Quay that they should receive the substantive amount of Tranche A – net US\$25m during August and September 2021.

Brendan Brown

Managing Director

For further information contact Brendan Brown, Managing Director +61 3 9598 0188 or admin@ipbpet.com.au



Location Map: IPB Exploration Permit WA-424-P – Browse Basin