

4 September 2017

Update on Ex-Employee Claim against the Company

Further to the announcement made on 13 June 2017, International Petroleum Limited (NSX:**IOP**) (**International Petroleum** or the **Company**) would like to provide an update on a wrongful dismissal claim and other employment related claims brought against the Company and two of its Directors by a former employee of the Company in late 2014.

The Company regrets to report that it was not successful in its appeal to the Employment Appeal Tribunal in the UK (EAT) in respect of the employment claim brought by its former Chief Executive Officer, Alex Osipov. Judgement was given on 27 July 2017 by the EAT and EAT's sealed Order of 27 July 2017 was received by the Company on 8 August 2017 against the Company, Mr Frank Timis and Mr Antony Sage. An application for permission to appeal certain aspects of this Judgement to the Court of Appeal on behalf Messrs. Timis and Sage was lodged on 17 August 2017. A further update on the progress of this litigation will be made in due course.

Regards

Tony Sage
Chairman