



INNAMINCKA
PETROLEUM

ASX Code : INP

Transformation to Oil & Gas Producer January 2010



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Corporate Information

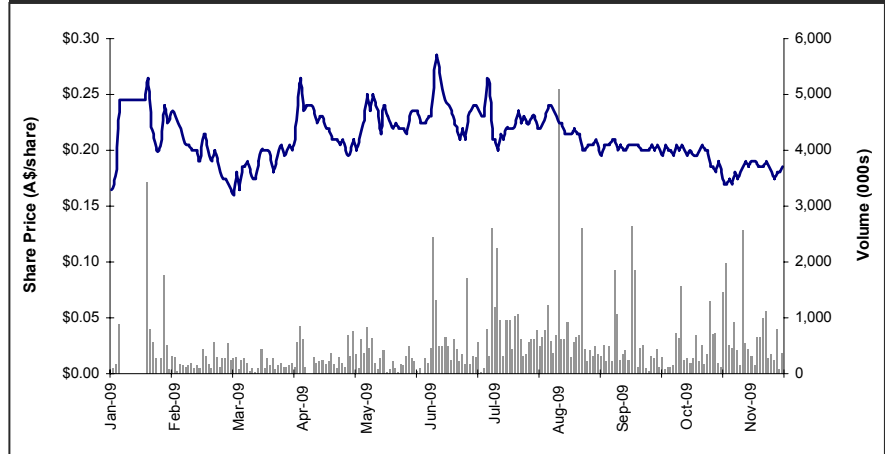
Capital structure⁽¹⁾

Share Price	A\$/share	0.185
Shares on Issue	m	261.5
ITM options ⁽²⁾	m	-
Total Fully Diluted Shares	m	261.5
Market Capitalisation	A\$m	48.4
Cash (post T/18P commitments)	A\$m	12.9
Cash (committed to T/18P expenditure)	A\$m	7.7
Debt	A\$m	-
Enterprise Value	A\$m	27.8

⁽¹⁾ As at 31 December 2009

⁽²⁾ In the money (ITM); Excludes 8.4m out of the money options

Share price and volume

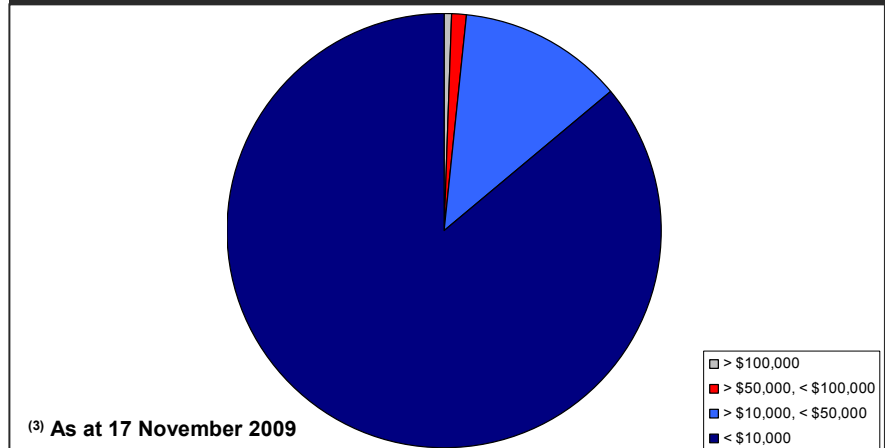


Board of directors and senior executives

Directors	Position
Adam Johnson	Chairman
David McEvoy	Non-Executive Director
Steven Koroknay	Non-Executive Director

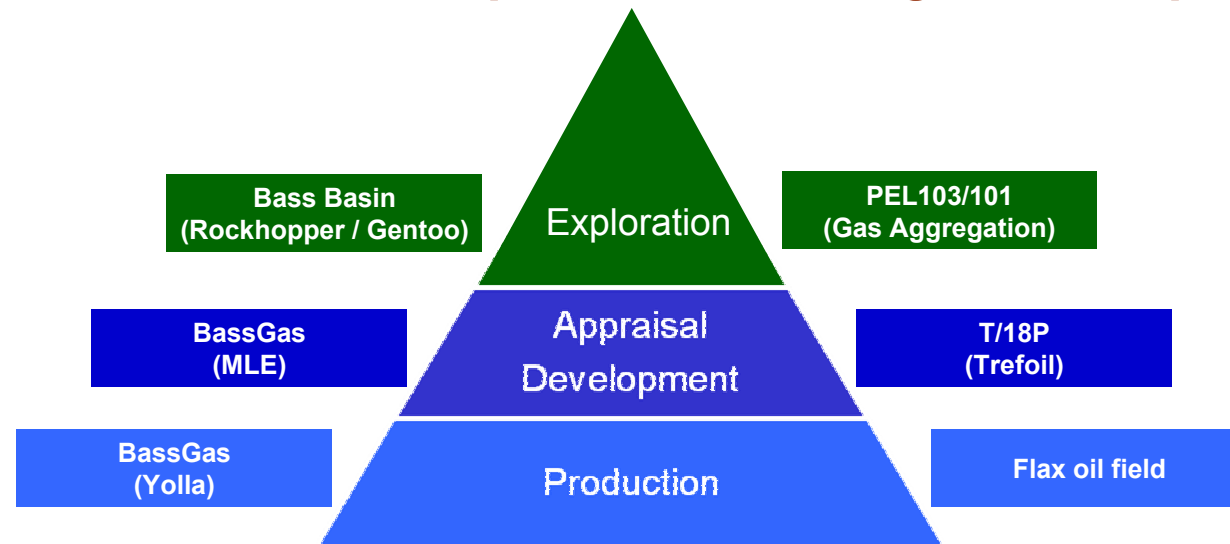
Key Management	Position
David Kinsman	Chief Executive Officer / Chief Financial Officer
Martin Spiby	Chief Engineer
Mike Bucknill	Chief Geoscientist
Leni Stanley	Company Secretary

Shareholding distribution⁽³⁾



Key Investment Highlights

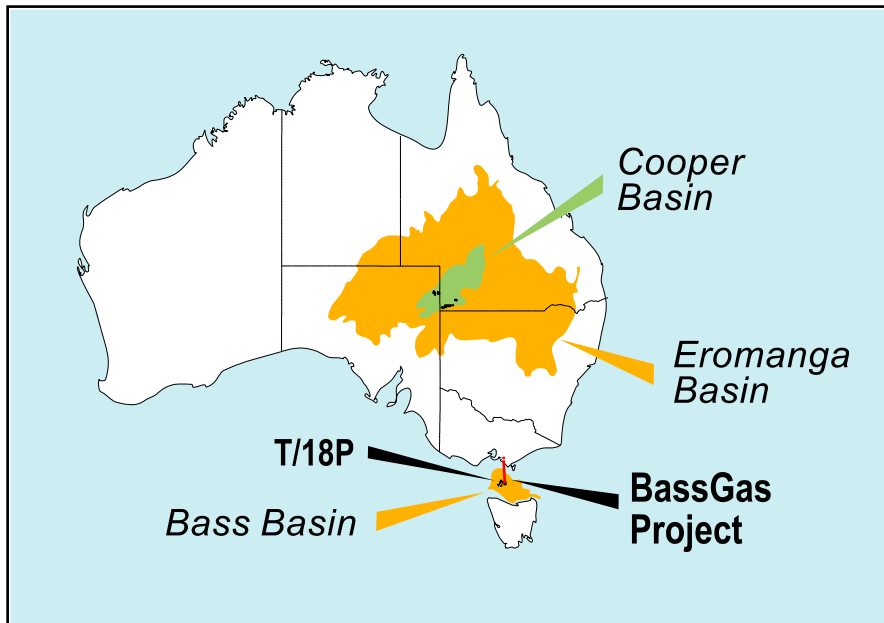
Transformation to an O&G producer with significant upside potential



- ✓ 2009 acquisition activity positions company as an O&G producer with significant potential
- ✓ Diversified portfolio of assets at various stages of development
- ✓ Long-term earnings and cashflow stream
- ✓ The Bass Basin permits have embedded growth potential
- ✓ Significant exploration and development upside
- ✓ Cashflow underpins company's strategic development
- ✓ Successful history of completing challenging deals
- ✓ Strong partners



INP Asset Summary



Overview ⁽¹⁾

- Focus on the Bass and Cooper / Eromanga Basins
- Both onshore and offshore projects
- Attributable 2P reserves of 5.3MMboe ⁽³⁾⁽⁴⁾
- Attributable annual production of c. 380,000boe ⁽⁵⁾
- Available tax losses of A\$41m
- Available cash of A\$13m

Bass Basin

Initial entry via 5% interest in **T/18P** acquired July 2009

- Trefoil 2 appraisal well drilled Nov-09 confirms Trefoil gas discovery and delineates field
 - Potential supplement to Bass Gas Project (Yolla)
- Rockhopper 1 exploration well drilled Dec-09 discovered oil and gas in multiple sands
 - Sidetrack pending to confirm resource size
- Further exploration upside potential adjacent in Gentoo

Arrangement to acquire 7.5% of **BassGas Project** signed Nov 2009

- Liquids rich field with capacity to produce 5.1MMBOE/pa ⁽⁶⁾
- Provides long term stable cashflow and earnings base
- Exploration upside and/or T/18P tie-in have potential to provide long term extension of field life

Cooper/Eromanga Basin

- Currently operating 6 PRLs/PELs in the Cooper Basin
- Flax Oil Field is producing ~ 300 bopd ⁽⁷⁾
- Significant exploration and appraisal potential exists
- Gas aggregation strategy targeting reserves of 100 Bcf



BassGas Project

(INP 7.5%)⁽²⁾

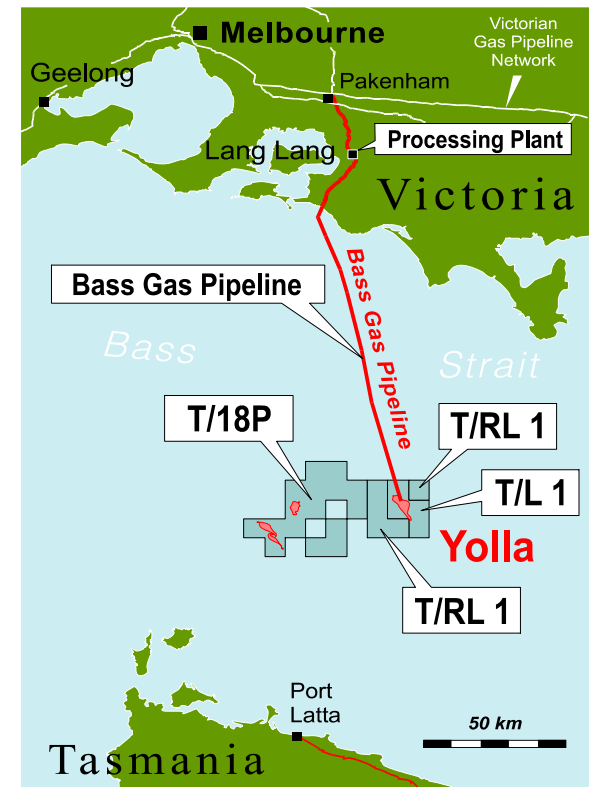
BassGas Summary

- Established producing asset comprising offshore and onshore infrastructure
- Comprises T/RL1 and T/L1
- Liquids rich field – 62% of 2009 revenue from liquids
- 2P reserves of 70.1MMboe (100% basis)⁽¹⁾
 - 288PJ of natural gas
 - 889kt of LPG
 - 11.1MMbbl of condensate
 - 0.7MMbbl of oil
- **INP Share of 2P reserves is 5.2MMboe**
- Yolla infrastructure may be used to commercialise T/18P

Production Capacity ⁽³⁾

Commodity	Current Design Capacity p.a.	
	100% Basis	INP's Equity Share
Natural Gas	20PJ	1.5PJ
LPG	65,000t	4,900t
Condensate	1,000,000bbl	75,000bbl
Total	~5,100,000boe	~380,000boe

Bass Basin Permits



JV Partners

Company	Interest
AWE ⁽²⁾	50.0%
Innamincka⁽²⁾	7.5%
Origin Energy (Operator)	42.5%

Note: ⁽¹⁾ Sourced from AWE 2009 Annual Report

⁽²⁾ Post completion of acquisition of 7.5% interest

⁽³⁾ sourced from Origin Energy website (www.originenergy.com.au)



BassGas – Project/Field Life

Current Production Capacity

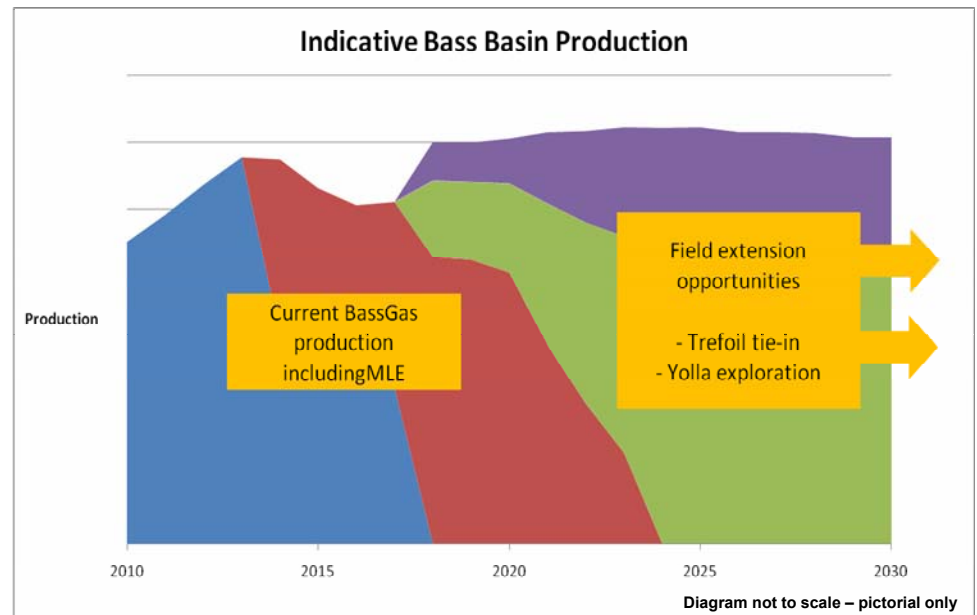
- Current field capacity can provide INP with initial 380,000 BOE per annum⁽¹⁾ for a significant period
- Provides significant revenue and cashflow base
- Developments underway or under consideration to maintain current production levels over the long term

Mid Life Enhancement (MLE)

- Approved, near-term (2-3 year) project designed to maximise the field life by optimising and extending the production plateau, and lowering unit operating costs
- Total project cost \$A345m ⁽²⁾ (INP share \$A26m)
- Project includes two new production wells and the addition of compression and pumping on the existing platform
- Improves production stability
- Based on 2P reserves and at current production capacity, field life is ~ 12-15 years

Further Field Extension

- Potential Trefoil (T/18P) tie-back or current T/RL1 exploration opportunities could provide field life beyond 20 years

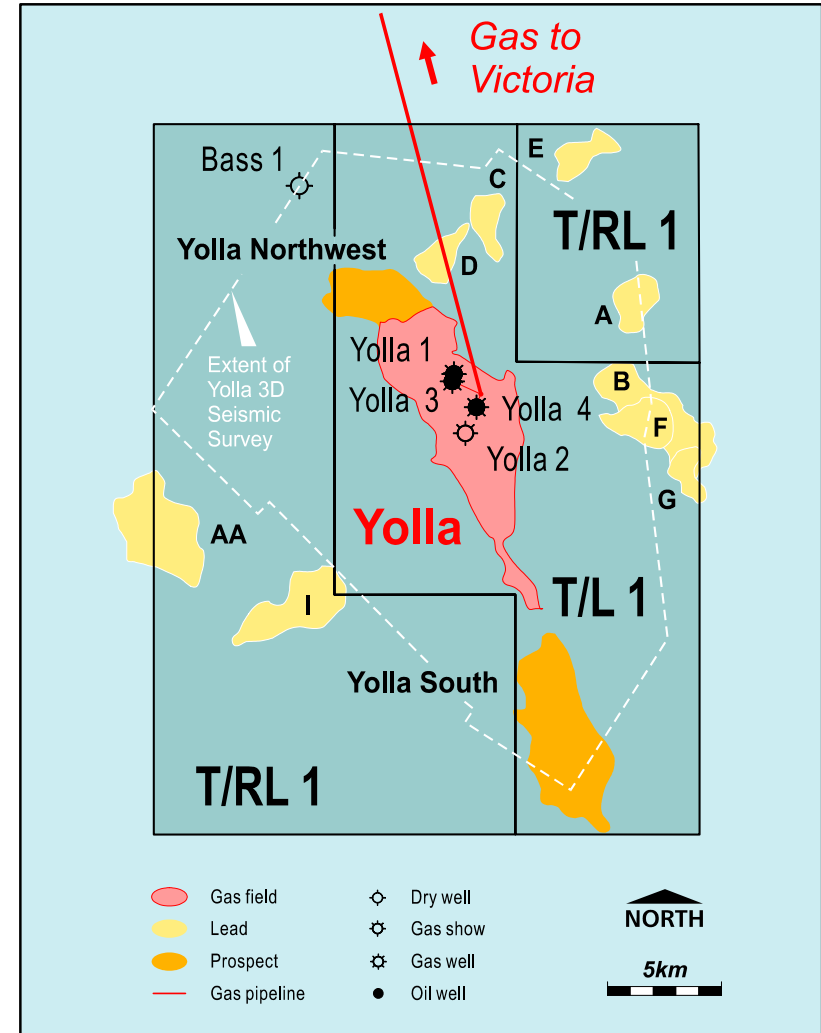




BassGas - Exploration

Exploration potential

- High graded inventory of exploration potential mostly defined by 3D seismic.
- Excellent Gas Prospects
 - Yolla Field extensions - Yolla South and Yolla NW
 - Additional near field gas leads (Leads A and AA)
- Oil leads close to infrastructure
 - Lead AA
 - Lead A
 - Yolla South 1,2 and 3





BassGas - Acquisition Rationale

Benefit

Comment

Attractive acquisition price and deal terms	<ul style="list-style-type: none"> • INPs 7.5% acquisition at cost of \$A40m will add 5.2MMboe⁽¹⁾ at a price of A\$7.69/boe • The acquisition price is attractive against recent market valuations • Value to INP is enhanced through carry forward tax losses • Transaction is effective from 1st July, 2009 with completion expected Q1/CY2010
Complementary to T/18P	<ul style="list-style-type: none"> • Potential to “tie-back” T/18P to Yolla • Builds INP’s presence in the Bass Basin
Producing asset with long-term cashflow	<ul style="list-style-type: none"> • Long project life with potential to be at least 20 years • Will generate long-term earnings and cashflow streams
Increases exploration opportunities	<ul style="list-style-type: none"> • Adds to INP’s exploration portfolio • Provides exploration upside value
Consistent with growth strategy	<ul style="list-style-type: none"> • Building an asset portfolio to provide immediate, sustainable, long term cashflows • Diversification to be achieved through both organic growth and acquisition
High quality partners	<ul style="list-style-type: none"> • Project operated by Origin Energy Ltd (“ORG”) • Joint venture partners are AWE and ORG • INP can leverage from its partners operational experience in the area

Note: ⁽¹⁾ Sourced from AWE 2009 Annual Report



BassGas – Attractive Price

Competitive price

- Based on recent broker reports the 7.5% interest in BassGas to be acquired by INP is valued within a range of \$48m to \$76m
- INP's acquisition price of \$40m is well below the broker valuation range and broker average of \$61m

Broker	Date	BassGas (A\$m)	
		at 100%	At 7.5%
Credit Suisse	Nov 09	667	50
Deutsche Bank	Nov 09	920	69
Macquarie	Nov 09	791	59
Merrill Lynch	Nov 09	640	48
RBS	Nov 09	1016	76
UBS	Nov 09	695	52
Veritas	Dec 09	867	65
Wilson's HTM	Nov 09	928	70
Average		815	61
INP acquisition price¹		533	40

Note: (1) INP acquisition of 7.5% subject to completion adjustment based on an effective date of 1 July 2009



T/18P - Summary

(INP 5.0%)

BassGas acquisition is a clear strategic fit with T/18P

T/18P Summary

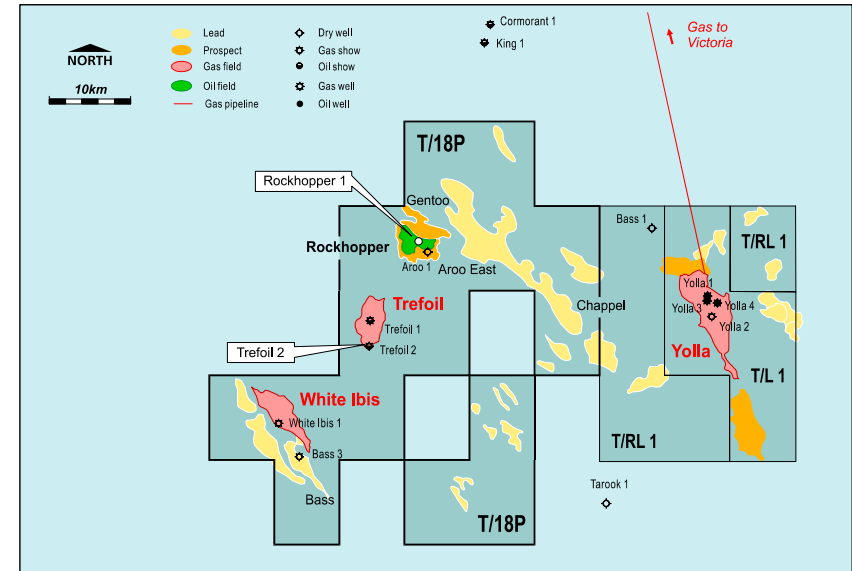
- Currently undergoing substantial drilling program
- Located 40km west of the Yolla field , containing
 - Trefoil and White Ibis gas discoveries;
 - Rockhopper oil field
 - Additional exploration targets (including Gentoo)
- Pre-drill Mean unrisked in place of c. 1.3Tcf of raw gas (c. 220MMboe) (100% basis)⁽¹⁾
 - c. 1.1Tcf of sales gas
 - c. 44MMbbl of gas liquids
- Discovery of crude oil at Rockhopper will change hydrocarbon resource mix

Commercialisation Options

- Potential for T/18P to be commercialised via either a “tie-back” to the Yolla platform or a “stand-alone” development.
- Acquisition of BassGas interest mitigates potential tolling issues in Yolla “tie-back” scenario

Note: (1) Sourced from a report prepared by RISC in November 2009

Bass Basin permits



Partners

Company	Interest
AWE	47.5%
Origin Energy (Operator)	39.0%
Innamincka	5.0%
CalEnergy Gas (Australia)	5.0%
Toyota	3.5%

T/18P – Recent Activity

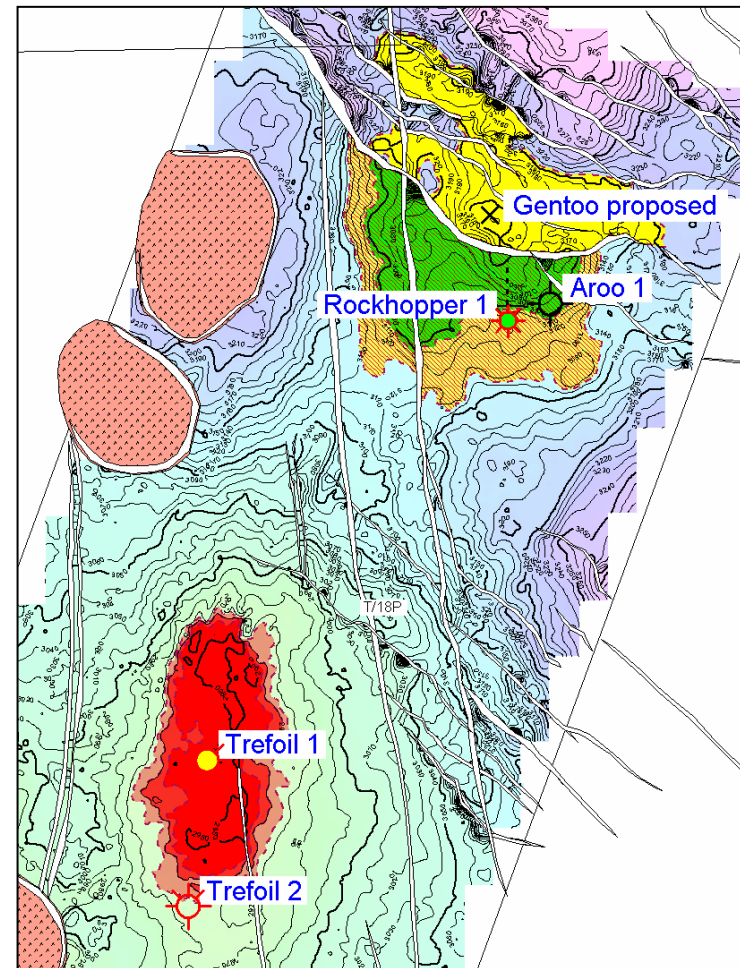
Encouraging Drilling Program on Trefoil and Rockhopper

Rockhopper 1 Exploration Well ⁽¹⁾

- New oil field discovery made in current drilling program
- Encountered multiple stacked reservoirs each containing either oil or highly liquids-rich gas
- No water contacts were intersected
- JV has undertaken to drill an immediate sidetrack to confirm hydrocarbon mix and resource size

Trefoil 2 Appraisal Well ⁽²⁾

- Trefoil-2 appraisal well complete – proves the southern extension of the field
- Liquids rich gas encountered
- Volumetrics currently being analysed by the Operator
- Development opportunities are opening up as additional discoveries are made

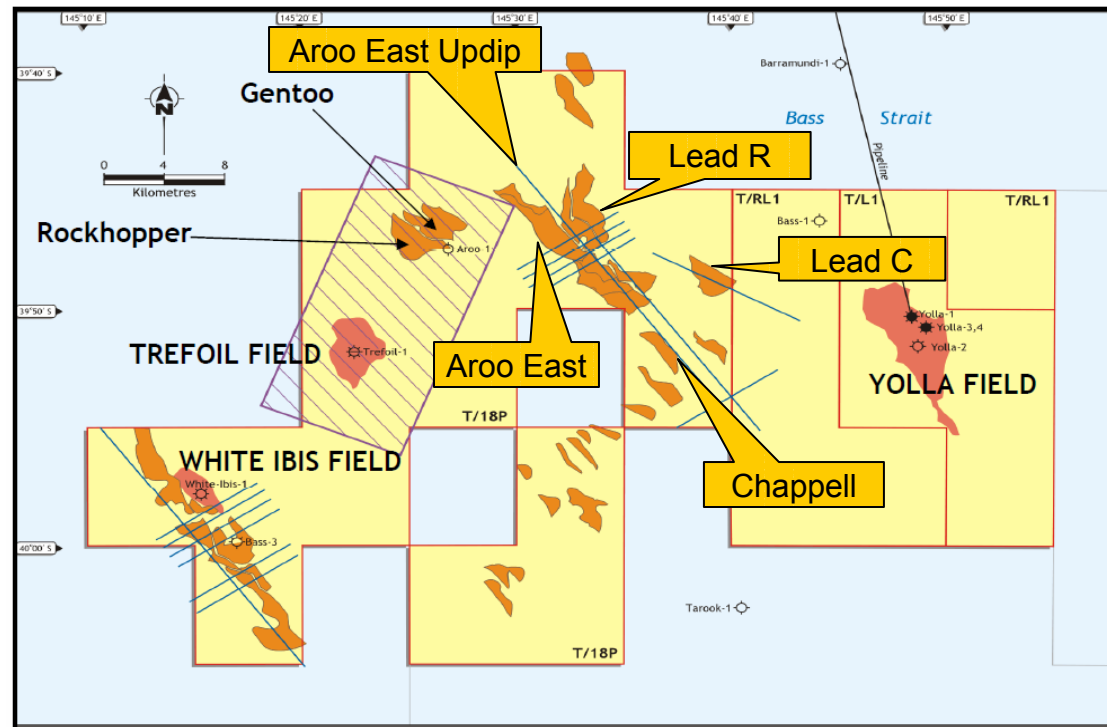


Note: (1) Refer INP ASX Announcements dated 29/12/09 and 04/01/10; (2) Refer INP and AWE ASX Announcements dated 26/11/09



T/18P – Exploration Potential

Key Prospects and Leads



Future Exploration

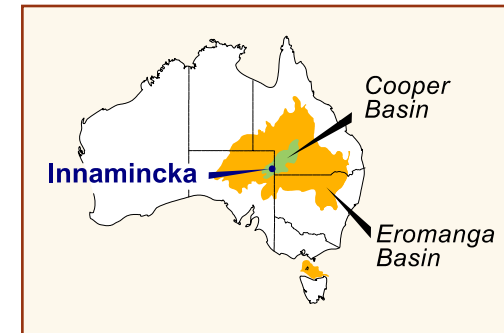
- Rockhopper success demonstrates that fault seal works
- This upgrades Gentoo trap - now needs to be drilled
- Presence of oil in addition to liquids rich gas upgrades oil potential of the Bass Basin and other prospects & leads
- Close proximity to Yolla infrastructure improves economics



Cooper / Eromanga Basin Assets

Oil and Gas Resources

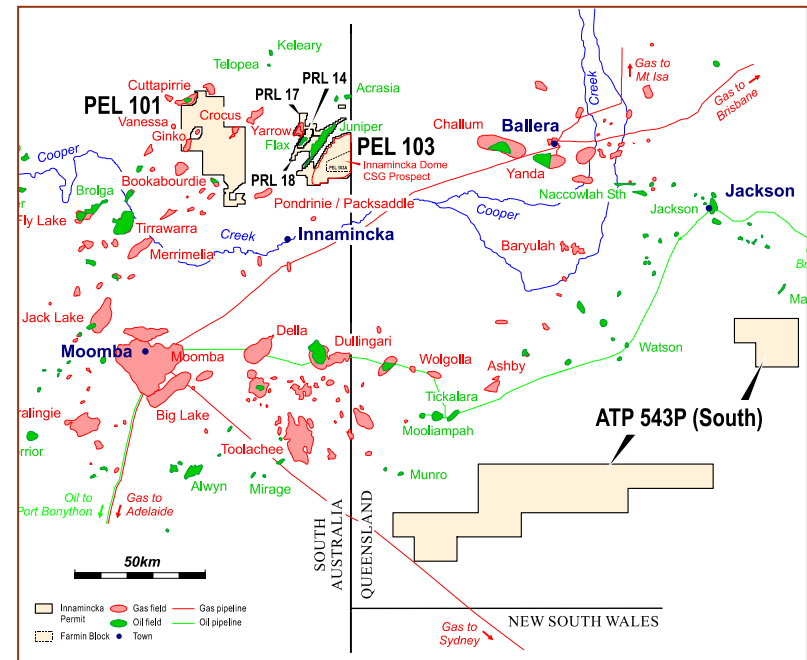
Permit	Field	2P OGIP/OOIP	2P Recoverable	3P In Place	INP Share	Note
PEL 103	Flax	9.0 mmstb	0.3 mmstb	25.5 mmstb	37.5%	(1)
	Juniper	26.6 mmstb		45 mmstb	37.5%	(2)
	Yarrow	27 Bcf		34 Bcf	37.5%	(2)
	Prospects/Leads (8)	19 mmstb total		Range 1-17 mmstb each	37.5%	(3)
PEL 101	Ginko	34 Bcf		44 Bcf	25.0%	(2)
	Crocus	23 Bcf		30 Bcf	25.0%	(2)
	Prospects/Leads (8)	106 Bcf total		138 Bcf	25.0%	(2)
ATP 543P (South)	Prospects/Leads (3)	33 mmstb		Range 10-32 mmstb each	50.0%	(3)



Note (1) Sourced from RISC Report - Static and Dynamic Modelling of the Flax Field - June 2009
 Note (2) Sourced from RISC Report - Strategic Review of Innamincka Petroleum - April 2009
 Note (3) Sourced from Magee & Associates Independent Experts Report - November 2005

Oil Exploration

- PRLs 17 & 18 (INP 37.5%)
 - Juniper – significant 3C Resource OIP (45 mmbbls OOIP)⁽²⁾
 - 2010 G&G activity to identify seismic and drilling locations
- ATP 543P (South) (INP 50%)
 - Cooper-Eromanga oil exploration opportunity
 - Large permit with many leads of attractive size
 - JV partner Santos
 - Recent G&G studies have identified improved oil-charge scenario
 - 2010 seismic in planning to define firm drilling targets





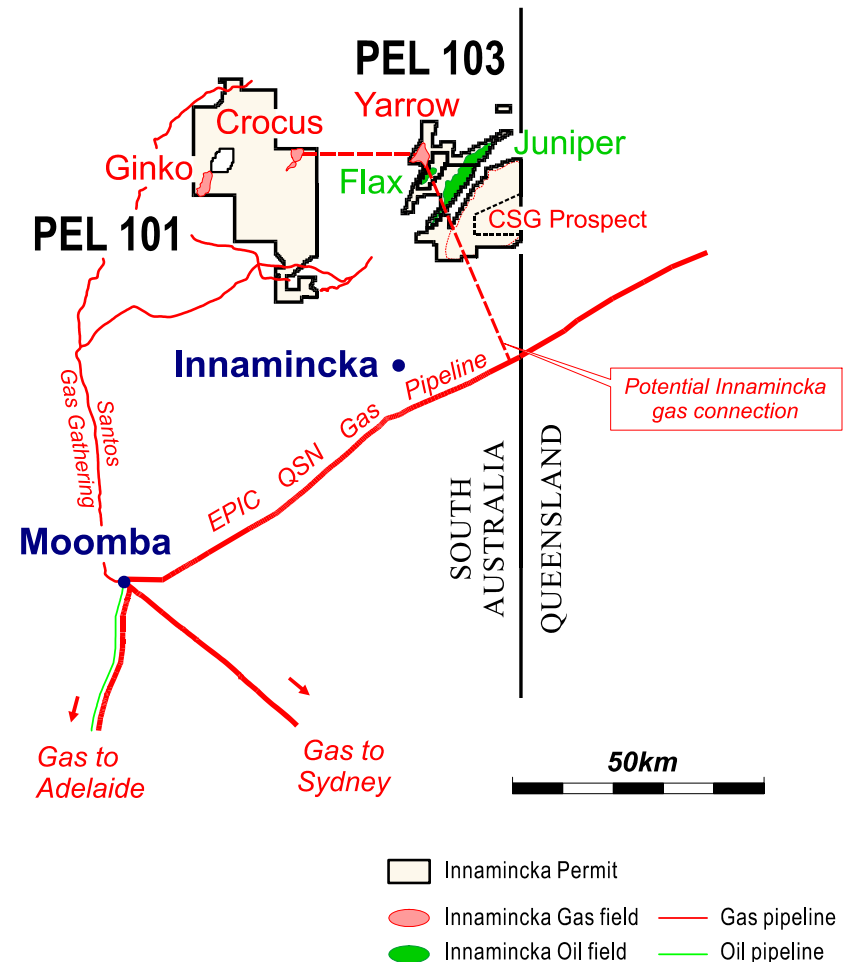
Cooper / Eromanga Basin Assets cont....

Oil Production

- PRL14 (INP 37.5%) - Flax field producing up to 300 bopd⁽¹⁾

Gas Aggregation Strategy

- Target 100 bcf for commercial development
- PEL 101 (INP 25%)
 - Several large gas fields identified (Crocus and Ginko 57 Bcf 2C OGIP)⁽²⁾
 - Other prospects and leads - 106 Bcf 2C OGIP
- PEL 103/103A (INP 37.5%)
 - Yarrow, Flax targets (Yarrow contains 27 Bcf 2C OGIP reserves)⁽²⁾



Note: (1) Sourced from INP Production database (2) Sourced from a report prepared by RISC in April 2009



Investment Highlights

Transformation to an O&G producer with significant upside potential

Asset		Highlight
BassGas Project	BassGas Acquisition	<ul style="list-style-type: none"> • Strategic acquisition providing long term sustainable earnings and cashflow • Facilitates commercialisation of T/18P successes • Acquisition price is attractive in current market
	Yolla Field production	<ul style="list-style-type: none"> • Provides INP with 380,000 BOE production per annum • MLE project maximises long term asset value • Options to further extend field life through exploration success or T/18P contribution
	Exploration Upside	<ul style="list-style-type: none"> • Field extension possible through Yolla South and Yolla NW prospects • Favourable economics to drill and develop satellite leads
T/18P	Trefoil	<ul style="list-style-type: none"> • Recent drilling program confirms southern extension of Trefoil field • Analysis in progress to determine volumes and potential development path
	Rockhopper	<ul style="list-style-type: none"> • Recent drilling program encountered hydrocarbons in numerous sands • JV has approved Sidetrack to confirm hydrocarbon mix and resource size
	Exploration Upside	<ul style="list-style-type: none"> • Rockhopper1 outcome improves likelihood that the adjacent Gentoo prospect will succeed
Cooper Basin	Flax Oil Field	<ul style="list-style-type: none"> • Production ongoing – currently up to 300 bopd
	Gas Aggregation	<ul style="list-style-type: none"> • Targetting 100Bcf of gas to achieve threshold for a combined development
	Exploration Upside	<ul style="list-style-type: none"> • Significant OOIP in Juniper field still to be fully appraised • 2010 seismic program to identify drilling targets in ATP543P (Sth)
Corporate	Financial	<ul style="list-style-type: none"> • Production and revenue unlocks value through use of \$41m carried forward tax losses
	Partnerships	<ul style="list-style-type: none"> • High quality Australian Oil and Gas companies including AGL, Origin and AWE



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The resource estimates for the Bass Basin licenses and permits, T/L1, T/RL1 and T/18P attributed to Resource Investment Strategy Consultants (RISC) are taken from a report prepared by RISC in November 2009 which was commissioned by INP to provide an independent valuation of these assets. The effective date of the valuation report is 1st July 2009. RISC is an independent petroleum consultancy and has no pecuniary interest, other than to the extent of the professional fees receivable for the preparations of its report, or other interest in the assets evaluated, that could reasonably be regarded as affecting their ability to give an unbiased view of these assets. The evaluation work was carried out by a team of professionals with an average 20 years experience in the assessment of petroleum resources. The work was carried out under the supervision of, John Boardman, 39 years experience and Peter Stephenson, 26 years experience, both Partners of RISC and qualified to prepare hydrocarbon reserve and resource estimates in accordance with ASX rules.

The reserve and resource estimates for PEL 101,103 and ATP 543 South at an effective date of 31 December 2008, have been extracted from a report dated April 2009, prepared by RISC for INP and authorised by Mr Peter Stephenson, Partner of RISC.

The reporting of resources and reserves has been carried out using the definitions and guidelines of the SPE/WPC/AAPG/SPEE Petroleum Resources Management System.

RISC has provided its consent to the attribution of values and statements in this presentation to the above referenced reports in the form and context in which they appear.