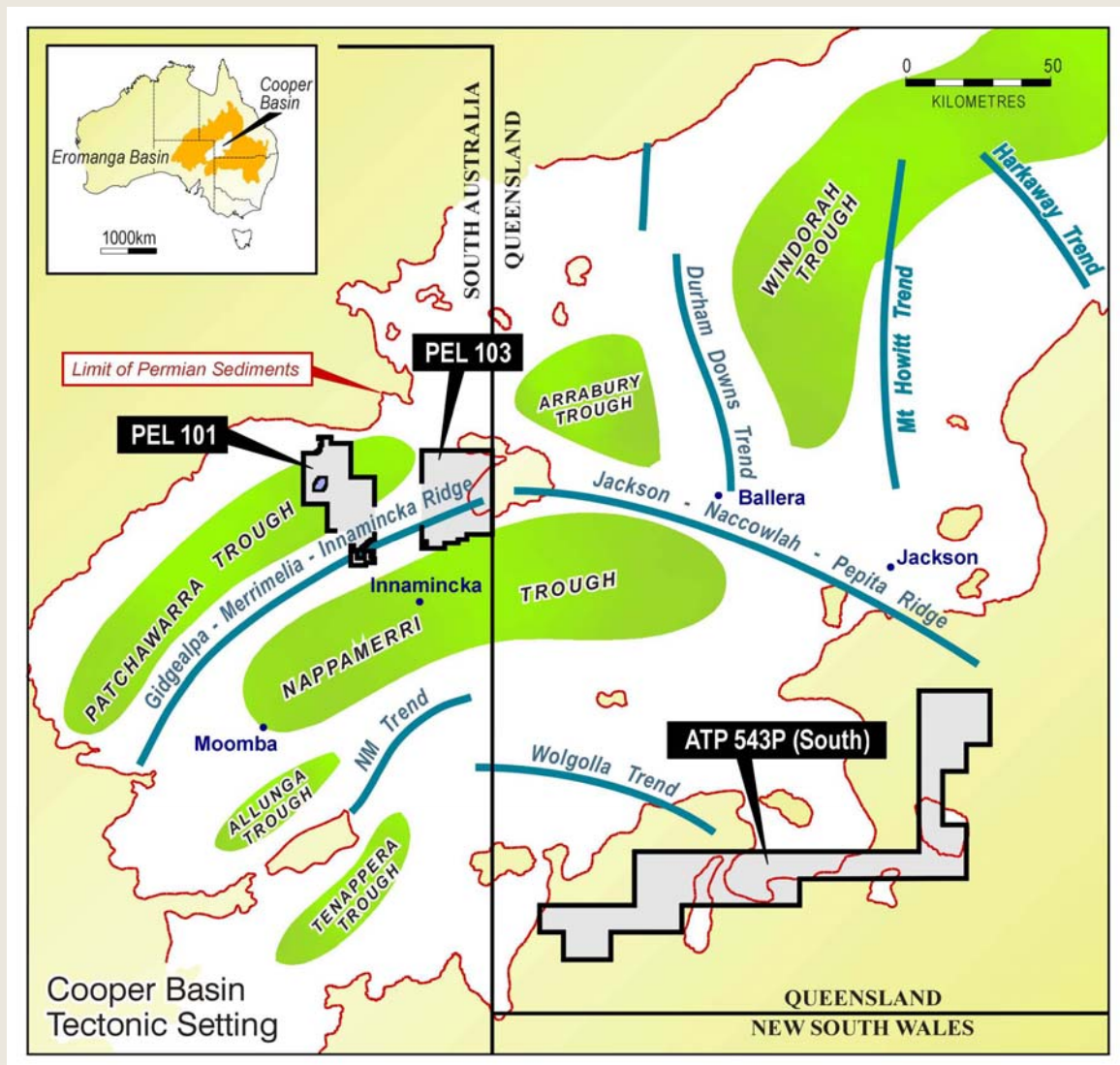




Cooper Basin

Our Regional Setting

The Palaeozoic Cooper Basin and the overlying Mesozoic Eromanga Basin are the most prolific onshore hydrocarbon provinces in Australia. In the SA sector the two primary sources of hydrocarbons are the 'kitchens' of the Patchawarra and Nappamerri Troughs. The Nappamerri Trough is currently thermally over mature and capable of generating only dry gas. The Patchawarra Trough, on the other hand, is a cooler depocentre and has expelled large volumes of oil and liquids rich gas. INP's permits are located to access the liquids (PEL 103) and liquid rich gas (PEL 101) expelled from the Patchawarra Trough.



PEL 103

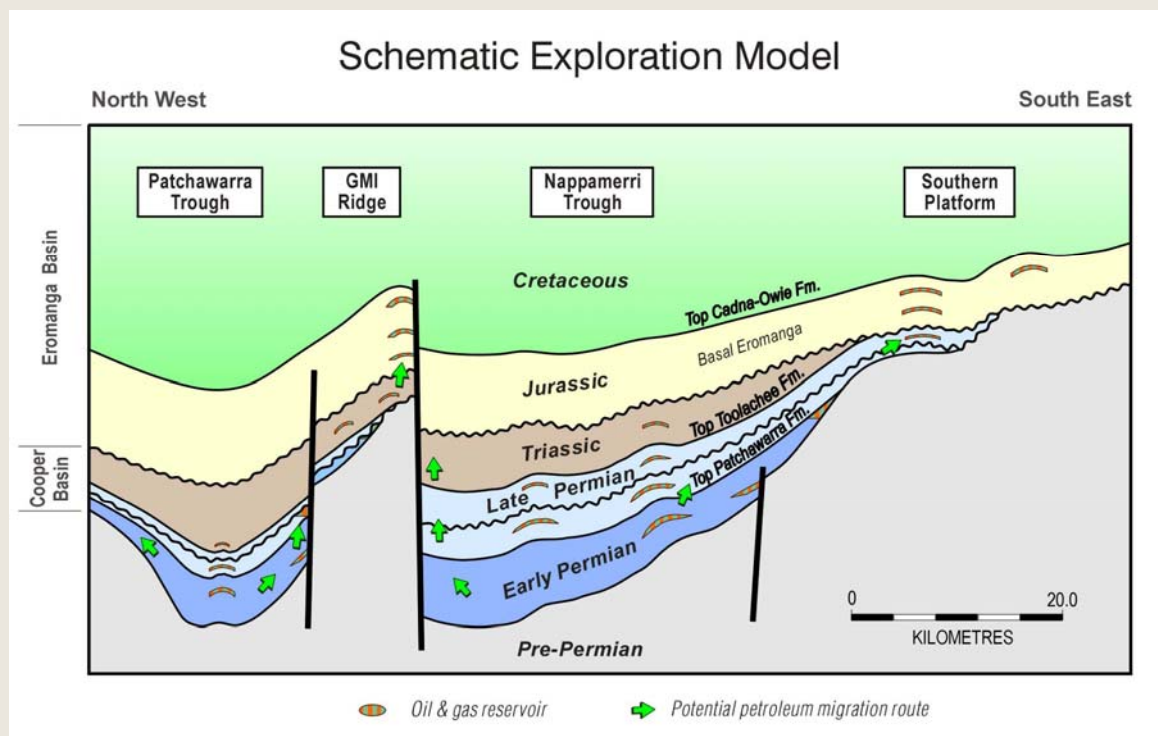
Towards the flanks of the troughs, the chance of finding oil accumulations (whether in the Cooper or Eromanga Basins) is much improved. One of the major focusing mechanisms for hydrocarbons migrating out of the 'kitchen areas' is the structural ridge separating the two troughs - the GMI Ridge. GMI stands for Gidgealpa Gas Field, the Merrimelia Oil Field and the Innamincka Dome. The latter is part of a structurally complex area (PEL 103) where three structural ridges converge - the Innamincka Dome, the Packsaddle-Pondrinie Nose and the Candra High. This region has trapped large volumes of hydrocarbons in the Permian as evidenced by Yarrow, Yanpurra, Juniper and Flax and is the focal point for INP's oil exploration and development. In addition the occurrence of commercial oil in accumulations in the Eromanga successions in Acrasia and Reg Sprigg and Reg Sprigg West on the Candra High also indicates that PEL 103 is ideally suited to trap oil in those culminations that are bald of Permian sediments.

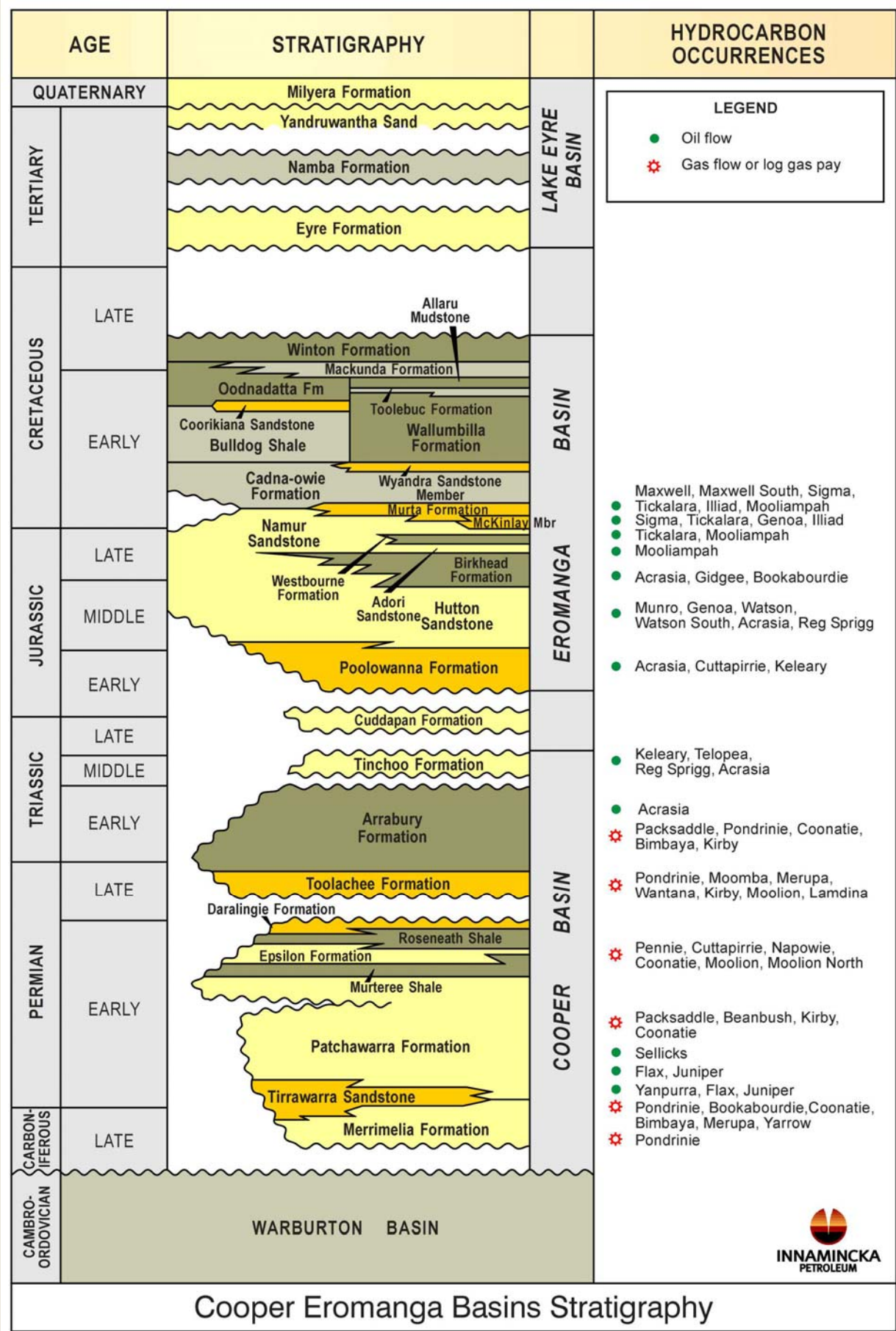
PEL 101

INP's gas project will be centred on PEL 101 where the first two exploration wells, Crocus and Ginko, have intersected gas saturated Permian sandstones. The permit contains numerous structural traps similar to the Crocus and Ginko features and when linked with the Yarrow Gas Field in PEL 103 plus the associated gas from the oil reserves in that permit, a major gas project appears viable for this region of the Cooper Basin.

ATP 543P South

In the Qld sector of the Cooper - Eromanga Basin, INP has an exploration permit (ATP 543 P South) located once again, on the flanks of the source 'kitchen' of the Nappamerri Trough which on its original expulsion of liquids in the Cretaceous probably charged the Jackson Oilfield plus many of the other smaller fields in this region of Qld. No wells have yet been drilled by INP in this permit but its location relative to the Tickalara and Maxwell Oilfields put it within the migration distance of oil expelled from the Permian source rocks of the Nappamerri Trough.





Cooper Eromanga Basins Stratigraphy

