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INNAMINCKA PETROLEUM LIMITED
ACN 101 313 777

SHAREHOLDER SHARE PURCHASE PLAN

Dear Shareholder

Invitation to Participate in Shareholder Share Purchase Plan

The board of directors of Innamincka Petroleum Limited (“**Innamincka Petroleum**” or the “**Company**”) announced on 2 November 2007 that as part of the \$30 million capital raising programme (the “**Programme**”) being undertaken by Innamincka Petroleum, the Company has resolved to carry out a shareholder Share Purchase Plan (“**Plan**”).

The Plan entitles each shareholder of Innamincka Petroleum, regardless of current investment size and who have not fully participated in the Company’s previous Share Purchase Plan, to purchase up to \$5,000 worth of fully paid ordinary shares in Innamincka Petroleum (“**Shares**”).

The Plan is only open to each shareholder registered as holder of a share at 7:00pm (AEST) on Monday 5 November 2007 (the “**Record Date**”). This timing provides the opportunity to participate in the SPP to all shareholders who held or acquired shares prior to the announcement of the trading halt on Wednesday 31 October 2007. Investors who participated in the placement or are purchasing shares on the ASX upon resumption of trading will not be entitled to participate in the Share Purchase Plan.

As this is the second Share Purchase Plan being offered to shareholders by Innamincka within a 12 month period, shareholders who participated in the March 2007 SPP may only participate in this SPP to the extent that their participation in the previous plan was less than \$5000. This is a restriction imposed by the Australian Securities and Investments Commission.

Pricing

The Plan will seek to raise up to a maximum of \$5 million and will invite those existing shareholders at the Record Date to subscribe for up to a maximum of \$5,000 worth of Innamincka Petroleum shares at an **Offer Price** being \$1.17 a Share, which is a discount of 13% to the volume weighted average market price of the Company’s ordinary shares, calculated over the last 5 days on which sales occurred immediately prior to the day the Company announced the Plan.

The number of Shares to be issued to each applicant will be calculated by dividing the amount subscribed and accepted by Innamincka Petroleum, by the Offer Price. Fractions will be rounded up to the nearest whole Share.

The market price of Shares may rise or fall between the date of the Offer and the date on which Shares are allocated to you. This means that the issue price you pay for the Shares under this Offer may exceed the market price of the Shares at the date of allotment.

Should the total value of applications for Shares exceed \$5 million, Innamincka Petroleum will scale back applications on a pro rata basis.

The Board is pleased to offer all Eligible Shareholders (as defined below) an opportunity to participate in the Plan. This document sets out the terms and conditions of the offer by Innamincka Petroleum to you to participate in the Plan (“Offer”). By agreeing to purchase Shares under the Plan, you agree to be bound by the terms and conditions of the Plan.

Current Activities

Details of the Company’s recent achievements and current planned work programme and projects are set out in the attached ASX announcements.

Use of Funds

Innamincka Petroleum intends to use funds raised under the Programme for exploration and development activities as follows:

Proposed Application of Funds	Amount assuming Maximum Subscription Raised from Programme
Two development wells on Flax field (inc. stimulation and completion)	\$6.00m
Two appraisal wells on Juniper oil field	\$3.75m
Production testing of four wells on Juniper oil field (inc. Flax East 1)	\$4.50m
Test for oil accumulation on Yarrow gas field	\$2.00m
Deepen Crocus 1, stimulate and production test	\$3.00m
Camp facility and equipment stock	\$3.00m
Ongoing permit expenditures and overheads	\$6.75m
Cost of capital raising programme	\$1.00m
TOTAL	\$30.00m

Participation

Participation in the Plan is open to each person registered as holder on the Record Date who has an address (as recorded in Innamincka Petroleum’s register of members) in Australia or New Zealand (“Eligible Members”). Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

An Eligible Member who is a trustee or nominee expressly noted on the Innamincka Petroleum register may receive an Offer for each occasion they are separately recorded as a trustee or nominee for a different beneficiary named on the register. To the extent an Eligible Member holds shares on behalf of another person resident outside Australia or New Zealand, it is the responsibility of the registered holder to ensure that any acceptance complies with all applicable foreign laws.

This document will not constitute an offer in any jurisdiction in which it would not be lawful to make such an offer or to any person to whom it would not be lawful to make such an offer.

Participation in the Plan is entirely at the discretion of Eligible Members. Subject to the restrictions set out below, an Eligible Member may apply for up to a maximum of \$5,000 worth of Shares and not less than a minimum of \$500 worth of Shares.

Offers are non-renounceable, which means that Eligible Members cannot transfer their entitlement to purchase Shares under the Offer to another person.

If you wish to participate in the Plan, you must complete and lodge the attached Application Form before 5.00 pm (AEST) on Thursday 29 November 2007 (“Closing Date”). Applications received after that time will not be accepted. Details of the address at which the applications should be lodged appear on the Application Form. **Applications can not be lodged by facsimile.** Applications and payments under the Plan may not be withdrawn once they have been received by Innamincka Petroleum. Application money will not bear interest under any circumstances. Please refer to the lodgement instructions on the Application Form.

The Offer is not a recommendation. If you are in any doubt about the Offer, whether you should participate in the Plan or how such participation will affect you (including taxation implications), you should contact a professional advisor. Innamincka Petroleum also recommends that you monitor the market price for Shares, which can be found on the website of the Australian Securities Exchange at www.asx.com.au or in the financial pages of major metropolitan newspapers.

Indicative Timetable

Activity	Indicative Date
Announcement of Plan	2 November 2007
Record Date SPP (7:00 pm AEST)	5 November 2007
Opening Date of Offer	8 November 2007
Closing Date of Offer	29 November 2007
Allotment of Shares	5 December 2007
Quotation of Shares on ASX	10 December 2007

This timetable is indicative only and Innamincka reserves the right to change it.

Limit on Participation

Subject to the restrictions set out below, an Eligible Member may not acquire more than \$5,000 worth of Shares under the Plan, taking into account all applications, including joint and other beneficial interests. This maximum subscription limitation will apply even if an Eligible Member has received more than one Offer (whether in respect of a joint holding or because the Eligible Member has more than one holding under separate share accounts).

The Company conducted a Share Purchase Plan earlier this year. As this is the second Share Purchase Plan being offered to shareholders by Innamincka Petroleum within a 12 month period, some restrictions as to entitlement to participate will apply to shareholders who participated in the Share Purchase Plan conducted in March 2007. These restrictions are imposed by the Australian Securities and Investments Commission, and mean that a maximum of \$5000 of Shares may be issued to a shareholder in any consecutive 12 month period under the Share Purchase Plan conducted in March 2007 and this Plan.

The board of directors of Innamincka Petroleum (“**Board**”) reserves the right to refuse an application if it considers that the applicant is not an Eligible Member or has not otherwise complied with the terms and conditions of the Plan or for any other reason in its sole discretion. If an application is refused then any application money received will be refunded without interest.

Excess Subscriptions

The Board has set a maximum amount of \$5 million to be raised under the Offer. It is not possible to predict the take up of this Offer.

If and to the extent to which the total value of applications for Shares under the Plan exceeds \$5 million, Innamincka Petroleum will scale back applications. If this occurs, you may be allocated Shares to a value that is less than you applied for. If a scale back occurs, Innamincka Petroleum will refund any excess application money (without interest). Any scale back of applications will be conducted by the Board on a pro rata basis with the minimum allocation set at \$500 worth of shares. Any determination by the Board in respect of any scaling back will be final.

Allotment of Shares

The Shares are scheduled to be allotted by 5 December 2007.

Shares allotted under the Plan will rank equally in all respects with all other fully paid ordinary shares in Innamincka Petroleum on the date of their issue, and therefore will carry the same voting rights, dividend rights and other entitlements as existing fully paid ordinary shares in Innamincka Petroleum.

Innamincka Petroleum will, promptly after allotment of Shares under the Plan, apply for the Shares to be quoted on the official list of the Australian Securities Exchange (“ASX”).

Innamincka Petroleum will not, however, make any allotment of Shares that would cause it to breach the ASX Listing Rules or the Corporations Act 2001 (Cth).

Innamincka Petroleum will issue a holding statement or confirmation advice in respect of the Shares allotted to you under the Plan. You should confirm your holding before trading in any Shares you believe have been allotted to you under the Plan.

Costs Of Participation

No brokerage, commissions, stamp duty or other transaction costs will be payable by Eligible Members in respect of their application for, and allotment of, Shares under the Plan.

Additional Information

The Plan will be administered by the Board and the Board will have an absolute discretion to:

- determine appropriate procedures for administration of the Plan; and
- resolve conclusively any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participating Eligible Member, or application for Shares, and any such resolution will be binding on all participants and other persons to whom the resolution relates.

The Plan and these terms and conditions of the Plan may be suspended, terminated or modified at any time by the Board. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

The Company reserves the right to waive strict compliance with any provision of these terms and conditions.

Innamincka Petroleum’s rights may be exercised by the Board or any delegate of the Board.

Any Questions?

If you have any questions concerning technical aspects of the Offer, please contact the Company Secretary, Leni Stanley, on (07) 3221 6022. If your questions concern investment related issues then you should contact a professional advisor.

A handwritten signature in black ink that reads "Leni Stanley". The signature is written in a cursive, flowing style.

Leni Stanley
Company Secretary

2 November 2007



INNAMINCKA
PETROLEUM
 ABN 11 101 313 777

Share Purchase Plan Application Form
Offer closes 5:00pm (AEST) 29 November 2007

This is an important document. Should you have any questions about its contents please seek independent financial advice.

Record Date: 5 November 2007
 Opening Date: 8 November 2007
 Close Date: 29 November 2007
 Issue Date: 5 December 2007
 Price Per Share: A\$1.17

APPLICATION FOR SHARES

I/we wish to apply for the number of fully paid ordinary shares in Innamincka Petroleum Limited ("INP") set out below at an issue price of A\$1.17 per share, in accordance with the Innamincka Petroleum Limited Share Purchase Plan ("SPP") Terms and Conditions. By returning this form to INP's Share Registry, I/we agree to be bound by the SPP Terms and Conditions and INP's Constitution, and certify that the aggregate of the application price for the shares the subject of this application, and any other shares in the class applied for by me/us under the SPP (including those the subject of any other application) or any similar arrangement in the 12 months prior to this application, does not exceed A\$5,000. INP reserves the right to vary the closing date for the offer.

INP may settle in any manner it thinks fit any disputes or anomalies which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any applicant or application for shares, and the decision of INP will be conclusive and binding on all persons to whom the decision relates. INP reserves the right to waive compliance with any provision of the SPP Terms and Conditions, subject to compliance with the Corporations Act, the ASX Listing Rules and ASIC Class Order 02/831.

This offer is non-renounceable. Please indicate the number of ordinary shares you wish to acquire by ticking ONLY ONE of the following boxes:

A

4,274 Shares at A\$5,000 **OR** 3,419 Shares at A\$4,000 **OR** 2,565 Shares at A\$3,000 **OR** 1,710 Shares at A\$2,000 **OR** 855 Shares at A\$1,000 **OR** 428 Shares at A\$500

B CHEQUE DETAILS – please complete and ensure that the amount payable is correct.

Payment must be made by cheque or bank draft in Australian dollars and drawn on an Australian bank, credit union or building society. Cheques or bank drafts should be made payable to "Innamincka Petroleum Limited" and crossed "Not Negotiable".

Cheque Number BSB Account Number

Amount **A\$**

C PLEASE INSERT CREDIT CARD DETAILS

Please debit my credit card: Mastercard Bankcard Visa Name

Card Number Expiry Date Signature of Cardholder

D QUESTIONS AND CONTACT DETAILS

If you have any questions please contact INP's Share Registry on (61 2) 8280 7454 between the hours of 8:30am and 5:30pm (AEST), Monday to Friday.

Phone Number (Home) Phone Number (Work) Contact Name



Innamincka Petroleum Limited

OFFER CLOSING 5:00PM (AEST) ON 29 NOVEMBER 2007

This form accompanies the SPP Terms and Conditions. Shareholders should read that document prior to completing this form.

1. How to Complete the Share Purchase Plan Application Form

Please complete all relevant sections of the Share Purchase Application Plan Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Share Purchase Plan Application Form.

A. Application for New Shares

Please indicate in Section A the number of Shares with respective cost you wish to apply for.

Please ensure that your application does not exceed total value of \$5,000.00 when combined with shares allotted to you (if any) under the Share Purchase Plan offered in March 2007.

If in doubt please contact the Innamincka Petroleum Limited Company Secretary, Ms Leni Stanley, on (07) 3221 6022.

B. Cheque or Bank Draft Details

Please enter your cheque or bank draft details in Section B. Cheques or bank drafts must be drawn on an Australian branch of an Australian bank, credit union or building society in Australian currency, made payable to "Innamincka Petroleum Limited" and crossed "Not Negotiable".

C. Credit Card Details

Complete credit card details if choosing this payment method.

D. Contact Details

Please enter your contact telephone number where we may contact you regarding your acceptance, if necessary.

2. Overseas Shareholders

The letter of offer from INP and this Share Purchase Plan Application Form do not either individually or together constitute an offer of securities in any jurisdiction outside of Australia and New Zealand or to any person to whom it would not be lawful to issue them. By applying for shares in INP ("Shares") through this Share Purchase Plan Application Form you represent and warrant that applying for Shares does not breach any law in any relevant overseas jurisdiction.

3. How to Lodge your Share Purchase Plan Application Form

The completed Share Purchase Plan Application Form with the Application Monies may be mailed to the postal address, or delivered by hand to the delivery address, set out below. **Your completed Share Purchase Plan Application Form and Application Monies must be received by Innamincka Petroleum Limited no later than 5:00pm (AEST) on 29 November 2007.** Share Purchase Plan Application Forms received after 5:00pm (AEST) on 29 November 2007 will be rejected and Application Monies (without interest) returned to the Applicant.

Postal Delivery

Innamincka Petroleum Limited
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

Hand Delivery

Link Market Services Limited
Level 12, 680 George Street
SYDNEY NSW 2000

If you require further information on how to complete this Share Purchase Plan Application Form, please contact Link Market Services Limited on 02 8280 7454 between 8:30am and 5:30pm (AEST) Monday to Friday.

Privacy Clause: Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the above address or on (61 2) 8280 7454. Our privacy policy is available on our website (www.linkmarketservices.com.au).