

ASX Announcement/Media Release

14 November 2017

GAS RECOMPLETION PROGRAM TO COMMENCE AT SILVERTIP

- **First Lance Formation behind pipe gas recompletion at Silvertip Field**
- **One Meeteetse Formation behind pipe Recompletion**

Incremental Oil and Gas Limited (ASX: IOG) ("IOG" or the "Company") is pleased to provide the following update on its Silvertip Field in the Bighorn Basin, Wyoming, USA.

Incremental strategically times its shallow gas recompletions, targeting gas reserves, to capitalise on rising winter natural gas demand which leads to higher prices.

The Company will perform its first Lance Formation recompletion and an additional recompletion in the Meeteetse Formation (see stratigraphy map and well logs over page).

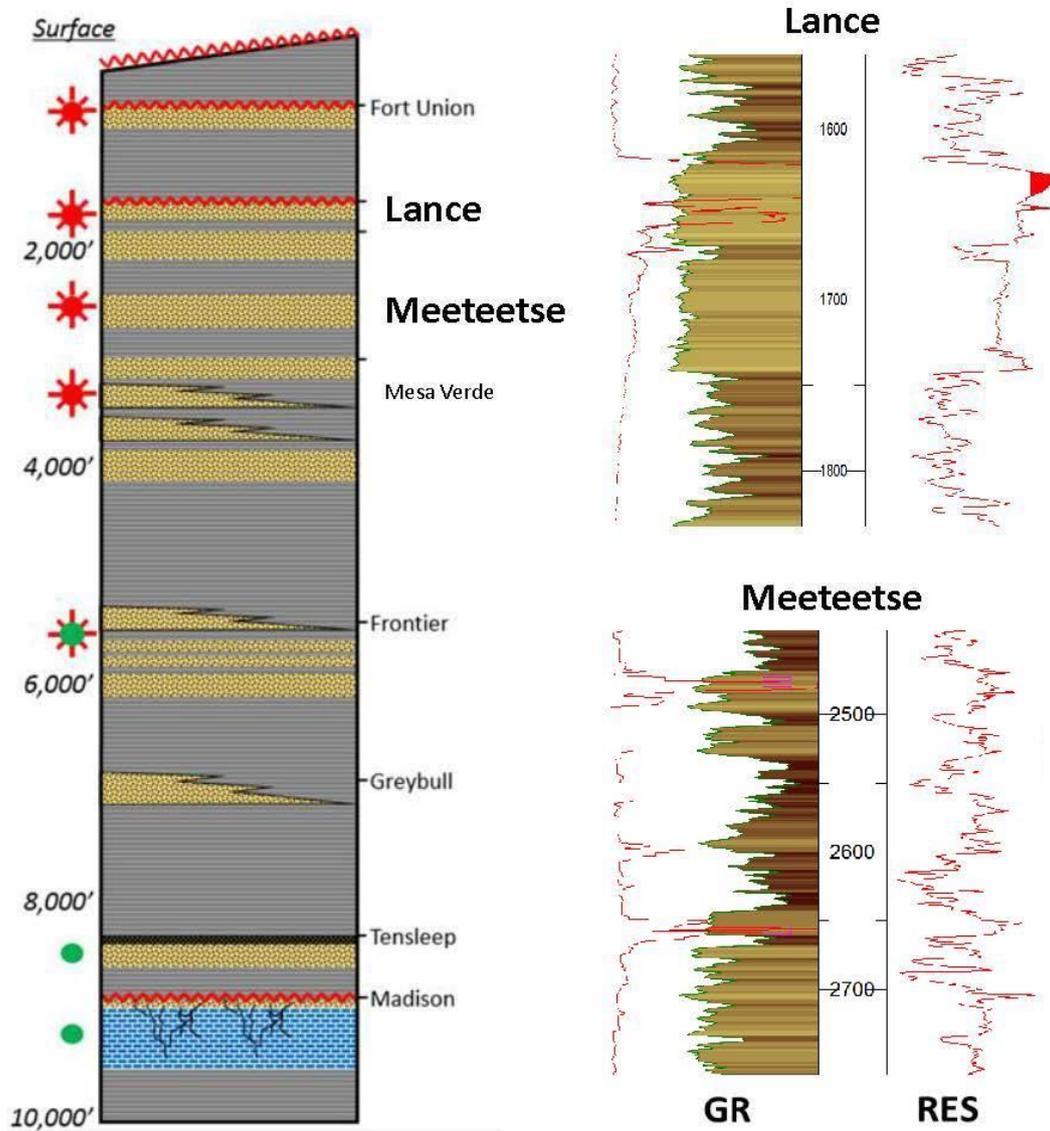
The Lance Formation is a gas-filled sandstone that lies above the prolific Meeteetse formation at around 2,000 feet. As the Lance Formation is above the original target formations in the multi-stacked field, there is potential for access to additional behind-pipe gas reserves if this recompletion is successful.

Historically, the Lance Formation has been produced in two wells within the Silvertip Field showing good hydrocarbon indicators across the crest of the Silvertip anticline. By recompleting existing wellbores to target gas reserves, Incremental's capital costs are significantly lower than the drilling of a new well.

A further 15 wells existing wells have been identified as having proven developed not producing (PDNP) reserves in the gas formations within the Silvertip Field which will be developed through recompletions when the economics of producing the behind pipe gas are better than the current crude production or co-mingling of gas and oil production is approved.

ENDS

Silvertip Field Shallow Gas Recompletion Targets



For further information, contact:

Luke Forrestal
Media + Capital Partners
Account Director
+61 (0)411 479 144

Simon Adams
Incremental Oil and Gas
CFO/Company Secretary
+61 (0)8 6144 0590

About the Company:

Incremental Oil and Gas Ltd is an USA onshore focused oil and gas exploration and production company. The Company's strategy is to identify and acquire underperforming oil and gas fields and apply modern technology and expertise to increase production and enhance hydrocarbon recovery, and increase net cash flow to grow the business.

Incremental has a portfolio of oil and gas producing projects in Wyoming and California, USA and a number of prospective exploration targets identified. Incremental is the operator of the Silvertip (WY), Sheep Springs (CA) and Round Mountain (CA) Fields with 100% working interest in all fields and net revenue interests of between 78.5 - 87.5%.

Gross production for the Group in Q3 2017 was 532 Boepd.

GLOSSARY

- Behind pipe - A productive reservoir which is isolated from the well bore by the casing. Behind-pipe reserves are expected to be recovered from zones in existing wells, which require additional recompletion work prior to the start of production
- Boepd - Barrels of oil equivalent per day
- Mcf - One Thousand cubic feet
- Recompletion - The completion for production of an existing wellbore in a new formation from that in which the well was previously completed
- Reserve - Amount of technically and economically recoverable oil or gas from a defined area of interest

Forward Looking Statements

This document may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect the Incremental's views and assumptions with respect to future events as of the date of this presentation and are subject to a variety of unpredictable risks, uncertainties, and other unknowns that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth to various factors, many which are beyond our ability to control or predict. Some of the risk and other factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the oil and gas industry, including environmental regulation; economic conditions in the US and globally; geological, technical and drilling results; predicted production and reserves estimates; operational delays or unanticipated operating event; physical, environmental and political risks; liabilities inherent in oil and gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; and availability of capital at favourable terms.

Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Incremental, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this announcement sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.