

ASX Announcement/Media Release

7 October 2016

1,100 MCFD 30-day average IP of Gas Well

Incremental Oil and Gas Limited (ASX: IOG) is pleased to announce a 30-day average IP rate of 1,100 MCFD for the recompletion of the 42-4F well which was brought on to production on September 1, 2016.

This well was the first Meeteetse formation recompletion in Incremental's Phase II Work Program at the Silvertip Field (Wyoming, USA) which had recorded a 5-day average (IP) rate in excess of 1,200 MCFD with greater than 400 PSI flowing casing pressure. The results indicate virgin reservoir conditions with excellent flow characteristics.

The gas from this well has resulted in gross sales of approximately \$100,000 in the first 30 days with Incremental holding a 100% working interest (WI) and a net revenue interest (NRI) of approximately 82%. Incremental's total capital expenditure on this well was approximately US\$35,000.



Well recompletion rig and ancillary equipment, Silvertip Field

Infrastructure to capture and transport the gas from the well to market is already in place. Gas is processed at Incremental's gas plant and delivered directly to the purchasers' pipeline.



Incremental's wholly owned Gas Processing Plant, Silvertip

A further 15 gas well recompletions are due to commence in the second week of October and are planned be completed before the end of 2016.

ENDS

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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 low risk, underperforming oil and gas fields and apply modern technology and expertise to increase production and enhance hydrocarbon recovery, while increasing net cash flow to grow the business.

Incremental has a portfolio of oil and gas producing projects in Wyoming, Colorado and California, USA.

Incremental is the operator of the Silvertip (WY), Florence (CO), Sheep Springs (CA) and Round Mountain (CA) Fields with 100% of the working interest and NRI's between 78.5 - 87.5%.

All reference to dollars or \$ mean US\$ unless otherwise stated.

GLOSSARY

Formation	A formal term used to reference a genetically related rock unit.
Initial production (IP)	The rate of initial flow from an oil or gas well.
MCF	One thousand cubic feet (natural gas volumetric measurement).
MCFD	MCF per day.
Net revenue interest (NRI)	Share of production after all burdens, such as royalty and overriding royalty, have been deducted from the working interest. This is the percentage of production that each party actually receives.
PSI	Pounds per square inch.
Recompletion	The completion (or perforation) of an existing wellbore in a different formation from that in which the well was originally completed.
Working interest (WI)	Investment interest in which the investor participates in the profits of any successful wells and is directly liable for the relevant portion of the ongoing costs associated with exploration, drilling and production.

FORWARD LOOKING STATEMENT

This document may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect Incremental's views and assumptions with respect to future events as of the date of this Press Release 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 Press Release 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.