incremental
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LTD
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ASX Announcement/Media Release

31 August 2016

Interim Financial Results 1H 2016
Production Increased 270%, with 51% Lower Field Production Costs

Incremental has recorded a half-year net loss after tax (NPAT) of $1.1 million. Production during the same period was 125.7 MBOE, an increase of 270% in production compared to 1H 2015. The increase in production was a result of acquiring and improving production at the Silvertip Field. Operating revenue for 1H 2016 was US$2.27 million compared to US$1.62 million in the same period last year.

Half-year reported NPAT in 2016 was 58% lower than 1H 2015 primarily due to lower benchmark oil prices[1] that fell 26% from 1H 2015 to 1H 2016.

As a result of acquiring the Silvertip Field in Wyoming, the company is in a stronger position to prioritise growth by developing of this asset and purchasing new assets.

John Whisler, Incremental's Managing Director stated that, "We have demonstrated through the Silvertip acquisition that we have the skills and capacity necessary to identify and acquire quality assets, in addition to the requisite technical skills to convert overlooked value into increased production while improving efficiency.

"Our cost to produce oil and gas is relatively low ($7.40 per BOE) compared to other operators and has placed the company in a strong position as oil and gas prices are forecasted to improve in 2017.

"In addition, our cost of debt continues to be competitive at 3.75% and we have been successful in raising additional equity to balance our capital requirements."

Financial Enhancements for 1H 2016

- Field production costs of US$7.4/BOE, 51% lower than 1H 2015.
- Decrease in administrative expenses, notwithstanding the major expansion of operations associated with the acquisition of the 105 well Silvertip Field.
- Gross profit margin (before overheads, amortisation and depreciation) at approximately 42%, only 9% less than 1H 2015 (51%), despite oil prices being 26% lower than 1H 2015.
- Cash receipts from product sales was US$2.18M, 38% higher than 1H 2015.

[1] West Texas Intermediate (WTI) - average 6 month Spot Price

Key Business Activities

Operational

- Increase in proved developed producing reserves at the Silvertip Field by 65% to 0.962 MMBOE in 1H 2016 (Refer ASX Announcement 22 March 2016).
- Independently certified 3Bcf of natural gas identified in shallow behind-pipe formations in the Silvertip Field (Refer ASX announcement 13 April 2016).
- Planning and design for the Silvertip development program was completed in 1H 2016 and workovers and recompletions commenced in August 2016.

Risk management

- In 2015, Incremental acquired a 100% working interest in Silvertip Field which has a mixture of oil, natural gas and natural gas liquids production and sales which diversifies the Company's revenue streams and commodity price exposure across a number of products.
- Incremental entered into a 12 month forward sale agreement for approximately 75% of existing gas production volume to underpin the recompletion program economics (contract negotiated at a price of US$2.06/MMBTU when spot price was approx. US$1.55/MMBTU and subsequently dropped to as low as US$1.21/MMBTU). Additional new gas production from well recompletions will benefit from seasonal (winter) price increases expected in Q4-16 and Q1-17.
- Equity raised in August 2016 to provide working capital to further develop the Silvertip Field.

Building near-term value growth

- 14 wells were permitted for recompletions at Silvertip Field. These recompletions will increase gas production in the short term. Work commenced in August 2016 (Refer ASX announcement 24 August 2016).
- 1 well recompletion approved will target oil in the Madison Formation at the Silvertip Field. Success in this well recompletion will create further oil development opportunities in the Field.
- Actively pursuing assets in onshore USA basins with existing oil and gas production and development potential. Numerous targets have been assessed, however, none have met the company's selection criteria for an even more detailed review.

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 NRIs between 78.5 - 87.5%.

GLOSSARY

BCF	Billion cubic feet or 28.317 million cubic metres. A unit commonly used in quoting volumes of natural gas.
Behind-pipe	Reserves present in formations that existing wellbores have passed through to reach their original targeted formation. Behind-pipe reserves require recompletion work prior to the start of production.
BOE	Barrels of oil equivalent, a measure of a combined volume of gas and liquids, which is determined using the ratio of one barrel of oil, condensate, or natural gas liquids to 6 MCF of natural gas.
MBOE	Thousands of BOE.
MMBOE	Millions of BOE.
MMBTU	Million British Thermal Units. One British Thermal Unit is equal to the energy required to raise one pound of water by 1° Fahrenheit in temperature. A measure of the richness of natural gas.
MCF	One thousand cubic feet (natural gas volumetric measurement).
Recompletion	The completion of an existing wellbore in another formation from that in which the well was previously completed.
Workover	The repair or stimulation of an existing producing well for the purpose of restoring, prolonging or enhancing the production of hydrocarbons.

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 favorable 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.

INCREMENTAL OIL AND GAS LIMITED

ABN: 66 138 145 114

Interim Financial Report for the half year ended 30 June 2016

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 December 2015 and any public announcements made by Incremental Oil and Gas Limited during the interim report period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Corporate Information

This half year report is of the group comprising Incremental Oil and Gas Limited ("the Company" or "Incremental Oil and Gas" or "the Parent") and its wholly owned subsidiaries (collectively "the Group").

The Group's functional and presentation currency is $US.

A description of the Group's operations and its principal activities is included in the review of operations and activities in the directors' report on page 1. The directors' report is not part of the financial report.

Directors
Mark Stowell (Chairman)
John Whisler (Managing Director)
Gerry McGann (Non-Executive Technical Director)
Matthew McCann (Non-Executive Director)

Company Secretary
Simon Adams

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Australia

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Perth WA 6000

Stock Exchange Listing
Australian Securities Exchange (ASX)
Home Exchange – Perth
Trading Code - IOG

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DIRECTORS' REPORT

The directors of Incremental Oil and Gas Limited ("Incremental" or "the Company") submit their report for the half year ended 30 June 2016 as follows:

Operating and Financial Review

Summary Overview

- Production has increase by 270% (on a BOEPD basis) from H1-2015 to H1-2016 primarily as a result of the acquisition of the Silvertip Field, WY in July 2015;
- The Silvertip Field (WY, USA) accounted for more than 75% of production in H1-2016;
- A 24 well recompletion program to increase production of natural gas from shallow formations in the Silvertip Field commenced in August;
- New project acquisitions continue to form the part of business growth strategy;
- The Company has announced an equity raising of A$1.520M via a placement of 38 million of ordinary shares. Of this amount, A$955,000 (before costs) was received in August 2016. The remaining balance of A$565,000 (before costs), which is subject to shareholder's approval is expected to be received in September 2016.

Operations

Incremental is an exploration and production company focused on the exploitation of existing onshore oil and gas fields in the USA. 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, thus increasing net cash flow and profitability and upgrading proved reserves to enhance asset value.

Production

Incremental produced and sold oil from all four of its fields namely, Silvertip (WY), Florence (CO), Sheep Springs (CA) and Round Mountain (CA) in the first six months of 2016. It also produced and sold natural gas from its Silvertip and Sheep Springs Fields. Natural Gas Liquids (NGL's) are extracted from natural gas at the Silvertip Field and sold as a separate product.

Production in the half year to 30 June 2016 and the corresponding prior periods were as follows:

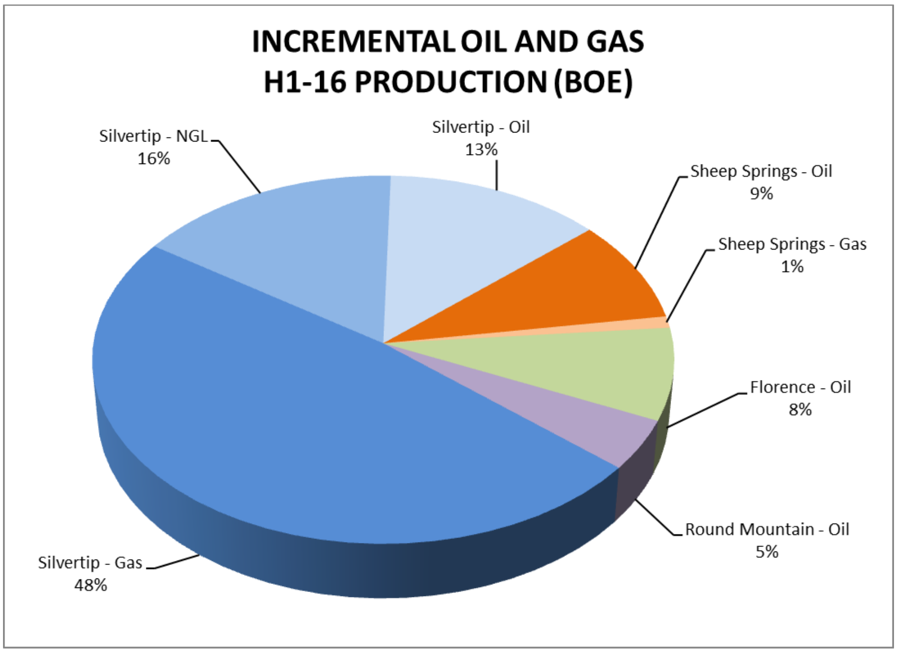
	H1-2016		H2-2015		H1-2015	
	Prod'n Volume	Avg BOEPD (1)	Prod'n Volume	Avg BOEPD (1)	Prod'n Volume	Avg BOEPD (1)
Oil (Barrels)	43,542	239	55,158	301	32,605	180
Natural Gas (Mcf)	372,039	341	403,633	368	7,800	7
NGL's (Barrels)	20,145	111	25,172	138	0	0
TOTAL BOE	**125,694**	**691**	**147,602**	**807**	**33,905**	**187**

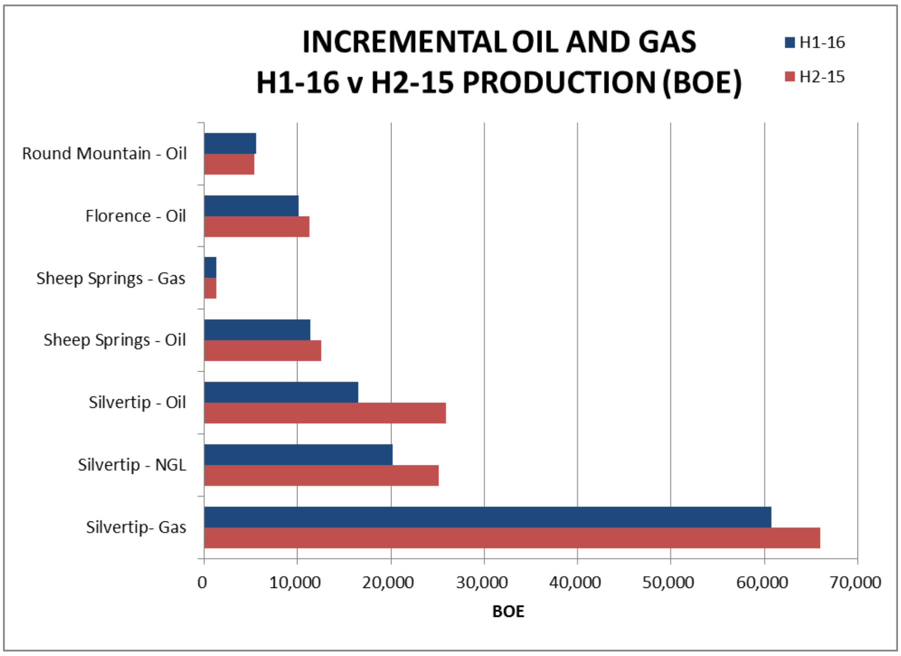
1. Barrels of oil equivalent (BOE) is the factor used to convert volumes of different hydrocarbon production to barrels (42 U.S. gallons) of oil equivalent of crude oil. One barrel of oil is deemed to have the equivalent amount of energy content as 6,000 British Thermal Units (or 6 MMBTU) of natural gas. One barrel of oil is deemed to have the equivalent amount of energy content as 42 gallons of natural gas liquids (NGL's).

The addition of production from the Silvertip Field, owned (100% Working Interest) and operated since July 2015, resulted in a four-fold increase in total group production from the first to second half in 2015. The Silvertip Field continued to account for the majority of production in the first half of 2016.

Silvertip
A decrease in production in the first half of 2016 compared to the last six months of 2015 resulted from natural decline and wells that have been shut in due to mechanical issues (primarily oil producing wells). Some of the shut in oil wells will undergo workovers and be returned to production in Q3-16.

Sheep Springs, Round Mountain and Florence
There has been natural decline in production at the Company's other fields, Sheep Springs, Round Mountain and Florence. However, as a result of pump changes made at the Round Mountain Field, there has been an increase in production from the previous half year period.





Exploration and development

Silvertip
In April 2016, the Company announced that it had identified up to 3Bcf of recoverable gas (independently certified) in the Meeteetse and Mesaverde Formations (between 2000 feet and 3000 feet below surface). This gas can be produced from existing well bores by way of a recompletion (perforation of the existing well bore at the depth of the behind-pipe natural gas).

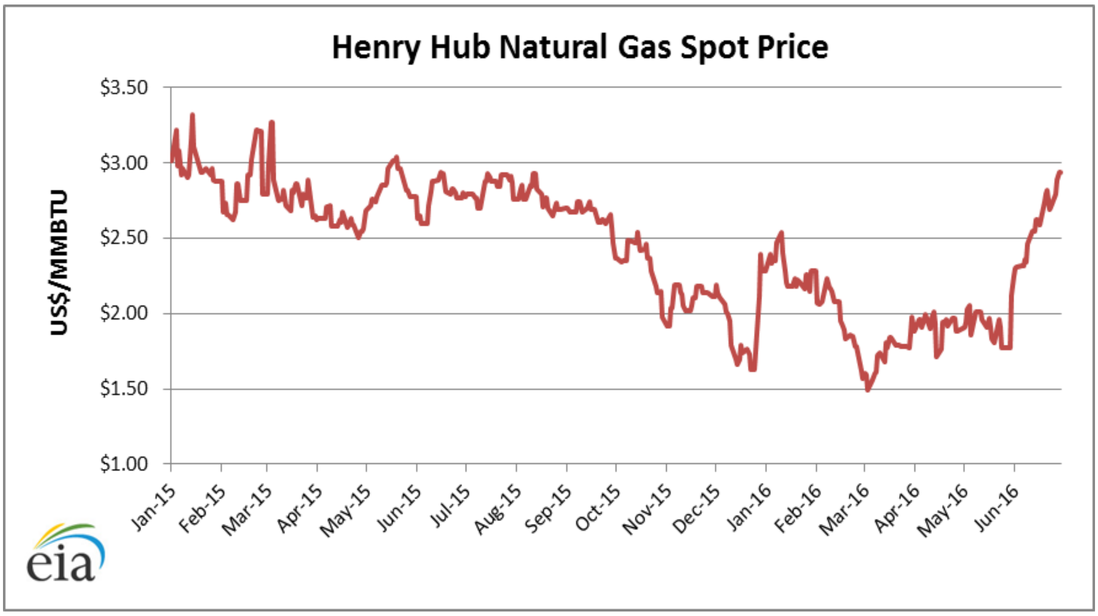
24 wells have been selected for a recompletion program which commenced in August 2016. Permits to undertake 15 of these recompletions have been received while the remainder are in the preparation stage.

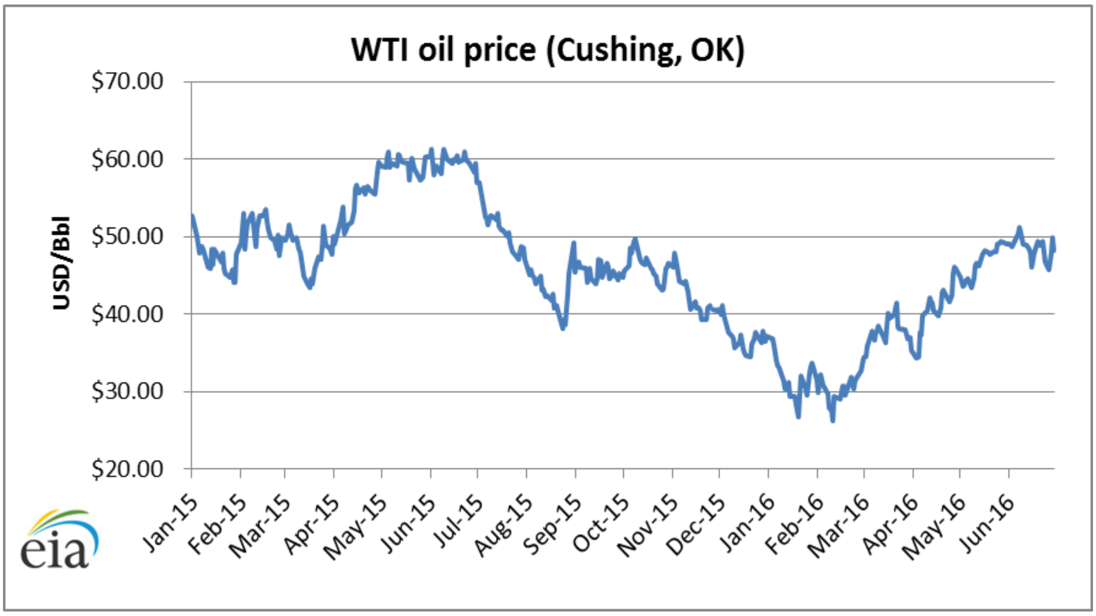
As part of the future work program, Incremental plans to undertake a recompletion of an existing well to access a deeper oil bearing formation called the Madison. If successful, this will upgrade the potential for additional oil production from the Silvertip Field.

Business Strategies and Prospects

The Company continued to focus on cost management and field operating efficiency have placed the Company in a strong position.

The average prices for oil, natural gas and natural gas liquids in the first half of 2016 were lower than the same period in the prior year. Both natural gas and oil prices recovered in the second quarter of 2016.





The acquisition of the Silvertip Field in June 2015 was successful for Incremental. Production from the new field has increased the Company's revenue base. New 1P reserves were identified and reported in the first half of 2016 which added value to the business.

Incremental continues its strategy of growth through acquisition. The Company is targeting oil and gas fields which have existing or near term profitable production and which are under-developed. The opportunity to acquire such assets is heightened in periods of low commodity prices and the Company's management team has dedicated considerable resources into reviewing numerous acquisition opportunities in onshore US basins in the first half of 2016.

Financial Position

Assets

Total assets have decreased from $17.08M at 31 December 2015 to $16.497M at 30 June 2016.

Cash at bank as at 30 June 2016 was $192,311. This compares to a total of $445,419 of cash held at 31 December 2015.

As at 30 June 2016, an additional $322,168 of cash was held as a term deposit which is secured against performance bonds for the Silvertip project. This is reported as a non-current financial asset in the balance sheet, not as cash at bank.

A$1.52M (Approx US$1.15M) was raised through a placement of share. The first tranche has been finalised with 23,875,000 shares issued raising $955,000. A further 14,125,000 shares will be issued in tranche 2 subject to shareholder approval at an Extraordinary General Meeting to be held on 2nd September 2016. These funds will provide additional working capital for the company.

Trade receivable, other receivables and prepayments and inventory of $471,508 at 30 June 2016 is lower than the same assets at 31 December 2015 ($538,388).

Net Oilfield Properties and Plant have decreased from $15.8M at 31 December 2015 to $15.5M as a result of amortisation.

Liabilities

Current liabilities have increased from $2.08M at 31 December 2015 to $8.07M at 30 June 2016 due predominantly to the reclassification of the Line of Credit facility ($6,157,160) from a non-current liability as at 31 December 2015 to a current liability as at 30 June 2016.

A Revolving Line of Credit facility which matures on 1 June 2017 has been reclassified as a current loan due to the remaining term being less than twelve months from the balance date of this report. There is a provision in the loan agreement to renegotiate the maturity date of the Line of Credit facility for a further two year term prior to the current maturity date. The Company will renegotiate the maturity date of the loan which will then be reclassified as a non-current liability by the year's end.

Bank Loans (current and non-current) have increased by $31,000 from 31 December 2015 to 30 June 2016. There has been an increase in the non-current restoration provision of $657,000 since 31 December 2015.

Equity

Total equity has decreased by $1.07M from $2.86M at 31 December 2015 to $1.79M at 30 June 2016. This is due to accumulated losses (see Financial Performance).

Financial Performance

		H1-2016	H1-2015
Sales Volume (Net)[1]			
Oil	Bbls	35,969	27,765
Gas	Boe	33,945	1,130
NGL	Boe	16,447	-
TOTAL	**Boe**	**86,361**	**28,895**
Sales Revenue (Net)[1]			
Oil		$1,201,005	$1,329,578
Gas		$457,703	$11,481
NGL		$188,369	$ -
TOTAL		**$1,847,077**	**$1,341,059**
Average Price			
Oil	$/Bbl	$33.39	$47.89
Gas	$/MMBTU	$2.25	$1.69
NGL	$/Gallon	$0.27	$ -
Gross Profit/(Loss)		$68,227	$275,405
Operating Cash in/(Out) Flow		($246,076)	($181,288)
Reported NPAT [2] (Loss)		($1,096,837)	($694,281)
Underlying EBITDA[3] (Loss)		($35,000)	($85,367)

1. *Net **sales volume** excludes any royalty interests ie: sales that are attributable ONLY to the Company. Net **sales revenue** excludes royalty interests and refinery deductions made for transportation and treatment.*
2. ***NPAT** - Net profit/(loss) after tax*
3. ***Earnings before interest, tax, depreciation and, amortisation** -this is a non-IFRS measure. The information is unaudited but is extracted from the audited financial statements. EBITDA excludes impairment, amortisation, depreciation, interest and tax. EBITDA is used as part of the key performance indicators for the management as it represents a more accurate measure of true cash performance of the company.*

Despite significantly higher volumes of hydrocarbons sold, the financial performance of the Incremental was impacted by:

- Lower oil prices in the first half of 2016 compared to the prior year. The average price achieved for oil sold in H1-16 of $33.39/Bbl was 30% below the prior year. This resulted in $520,000 reduction in oil revenue;
- The volume of gas sold in H1-15 was negligible (only produced from the Sheep Springs Field in low volumes). The natural gas and NGL's sold from the Silvertip Field in H1-16 has provided an increase in revenue from the prior corresponding period;
- Field operating expenses in the first half of 2016 ($846,529) were higher than the corresponding prior year period ($383,519) as a result of adding the Silvertip Field to the business operations. The 2016 operating costs represent a lifting cost of $6.73/Boe compared to $11.31/Boe in the same prior year period - based on production volume;
- Amortisation and depreciation of field assets was $327,707 higher in H1-16 than the prior year corresponding period which is attributable to the Silvertip Field;
- The company's corporate overhead in H1-2016 was $1,016,668 (H1-2015 $866,259). This was largely due to costs associated with the expansion (acquisition of the Silvertip Field);
- Interest charges in H1-2016 were $176,071 compared to $48,854 in H1-2015 as a result of approximately $6.7M of additional debt used to fund the Silvertip acquisition in June 2015.
- A reconciliation of EBITDA to NPAT is as follows:

	H1-2016	**H1-2015**
EBITDA	($35,000)	($85,367)
Interest income/(expense)	($175,418)	($48,511)
Depreciation and amortisation	($886,419)	($560,403)
Tax (expense) / benefit	$ -	$ -
Other non-operating (expenses) / income	$ -	$ -
NPAT	($1,096,837)	($694,281)

The names of the Company's directors in office during the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr M. Stowell	Chairman	Appointed Chairman 20 May 2014 Appointed director July 2009 Last re-elected May 2016
Mr J. Whisler	Managing Director	Appointed director 1 July 2014 Appointed Managing Director 14 October 2014
Mr G. McGann	Non- Executive Technical Director	Appointed Director July 2009 Last re-elected May 2015
Mr M. McCann	Non-Executive Director	Appointed Director 4 April 2014 Last re-elected May 2014

Auditor Independence Declaration to the Directors of Incremental Oil and Gas Ltd

Section 307C of the Corporations Act 2001 requires our auditors, Ernst and Young, to provide the directors of Incremental Oil and Gas Limited with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 8 and forms part of the director's report for the half-year ended 30 June 2016.

This report is made out in accordance with a resolution of directors made pursuant to s. 306(3) of the Corporations Act 2001.

On behalf of the directors

John Whisler
Managing Director
31 August 2016

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Auditor's Independence Declaration to the Directors of Incremental Oil and Gas Limited

As lead auditor for the review of Incremental Oil and Gas Limited for the half-year ended 30 June 2016, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Incremental Oil and Gas Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
31 August 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	30 Jun 2016 $US	31 Dec 2015 $US
Current assets			
Cash and cash equivalents	2	192,311	445,419
Trade and other receivables	3	391,310	431,197
Inventories	4	80,198	107,191
Total current assets		663,819	983,807
Non-current assets			
Other financial assets	5	322,168	322,229
Oil properties	6	11,728,884	11,738,680
Plant and equipment	7	3,782,994	4,036,280
Total Non-current assets		15,834,046	16,097,189
Total assets		16,497,865	17,080,996
Current liabilities			
Trade and other payables	8	740,066	911,377
Interest bearing liabilities	9	7,107,160	950,000
Taxes payable		126,265	126,265
Provisions	10	101,115	89,105
		8,074,606	2,076,747
Non-current liabilities			
Trade and other payables	8	14,741	56,494
Interest bearing liabilities	9	1,164,857	7,291,193
Provisions	10	5,449,834	4,792,830
Total non-current liabilities		6,629,432	12,140,517
Total liabilities		14,704,038	14,217,264
Net assets		**1,793,827**	**2,863,732**
Equity attributable to equity holders of the parent			
Issued capital	11	22,721,293	22,717,388
Shares reserved for employee share plan		(4,672)	(27,699)
Reserves		349,661	349,661
Accumulated losses		(21,272,455)	(20,175,618)
Total equity		**1,793,827**	**2,863,732**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE

	Notes	2016 $US	2015 $US
Oil and Gas Sales		2,269,999	1,620,517
Direct cost of sales:			
Royalty costs		(393,891)	(279,458)
Other production expenses		(932,015)	(517,495)
Amortisation and depreciation		(875,866)	(548,159)
Gross profit from operations		68,227	275,405
Other operating revenue		653	343
Administrative expenses		(605,280)	(644,662)
Other operating expenses		(369,143)	(266,643)
Interest and finance expenses		(191,294)	(58,724)
Profit/(loss) before income tax		(1,096,837)	(694,281)
Income tax (expense) / benefit		-	-
Profit/ (loss) after tax		(1,096,837)	(694,281)
Profit/ (loss) for the period attributable to members of the entity		(1,096,837)	(694,281)
Other Comprehensive income:			
Items that will not be reclassified to profit and loss		-	-
Items that may be reclassified to profit and loss		-	-
Other comprehensive income / (loss) for the period , net of tax		-	-
Total comprehensive income/(loss) for the period attributable to members of the entity		(1,096,837)	(694,281)
Basic earnings /(loss) per share attributable to ordinary equity holders of the entity **(US cents)**	12	(0.67)	(0.43)
Diluted earnings /(loss) per share attributable to ordinary equity holders of the entity **(US cents)**	12	(0.67)	(0.43)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2016

	Issued capital	Shares reserved for employee share plan	Accumulated losses	Share option reserve	Total equity
	$US	$US	$US	$US	$US
At 1 January 2016	22,717,388	(27,699)	(20,175,618)	349,661	2,863,732
Profit attributable to members of the Group	-	-	(1,096,837)	-	(1,096,837)
Other Comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	(1,096,837)	-	(1,096,837)
Share based payments	-	28,187	-	-	28,187
Transaction costs	(1,255)	-	-	-	(1,255)
Issue of share capital	5,160	(5,160)	-	-	-
At 30 June 2016	22,721,293	(4,672)	(21,272,455)	349,661	1,793,827
At 1 January 2015	22,620,836	(84,189)	(17,449,513)	349,661	5,436,795
Profit attributable to members of the Group	-	-	(694,281)	-	(694,281)
Other Comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	(694,281)	-	(694,281)
Share based payments	-	95,481	-	-	95,481
Issue of options	(1,426)	-	-	-	(1,426)
Issue of share capital	101,829	(101,829)	-	-	-
At 30 June 2015	22,721,239	(90,537)	(18,143,794)	349,661	4,836,569

The above Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2016

	2016 $US	2015 $US
Cash flows from operating activities		
Receipts from customers	2,178,443	1,574,997
Payments to suppliers and employees	(2,249,101)	(1,707,774)
Interest received	653	343
Interest paid	(176,071)	(48,854)
Net cash (used in) /provided by operating activities	(246,076)	(181,288)
Cash flows from investing activities		
Oil property development expenditure	(24,825)	(4,040)
Refunds/(Payments) for performance bonds	-	(246,105)
Acquisition of Silvertip, net of cash acquired	-	(6,345,477)
Payments for purchases of property plant and equipment	-	(44,411)
Payments for exploration	-	(4,695)
Net cash used in investing activities	(24,825)	(6,644,728)
Cash flows from financing activities		
Proceeds/(costs) from issue of shares	(1,255)	(1,426)
Proceeds of borrowings	500,000	6,357,160
Repayment of borrowings	(480,155)	(392,334)
Net cash (used in)/provided by financing activities	18,590	5,963,400
Net (decrease)/increase in cash and cash equivalents	(252,311)	(862,616)
Exchange differences on cash balances held	(797)	(3,764)
Cash and cash equivalents at the beginning of the period	445,419	1,361,814
Cash and cash equivalents at end of period	192,311	495,434

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2016

1. Summary of significant accounting policies

The consolidated interim financial statements are for the group comprising Incremental Oil and Gas Limited ("the Company" or "Incremental Oil and Gas" or "the Parent") and its wholly owned subsidiaries (collectively "the Group").

Incremental Oil and Gas Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX).

These consolidated interim financial statements were authorised for issue in accordance with a resolution of the Directors on 31 August 2016.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2015, except for the adoption of new standards and interpretations effective as of 1 January 2016. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Basis of preparation
These consolidated interim financial statements of the Group for the period ended 30 June 2016 are a general purpose condensed financial report prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting.

These consolidated interim financial statements do not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the group as the full financial report.

It is recommended that these consolidated interim financial statements be read in conjunction with the annual financial report for the year ended 31 December 2015 and any public announcements made by the Company during the half-year in accordance with the continuous disclosure requirements under Corporations Act 2001.

The financial information for the half year ended 30 June 2016 is presented in US dollars which is Incremental Oil and Gas Ltd's functional and presentation currency.

Statement of compliance
The consolidated interim financial statements of the Group also comply with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board.

Going concern
As at 30 June 2016, the Group has a working capital deficiency of $7.41M, has made an operating loss for the six months ended 30 June 2016 of $1.097M and has had a net reduction in cash and cash equivalents of $0.252M for the six month period.

Notwithstanding the above, the financial report has been prepared on a going concern basis as the Directors are satisfied that the Group will have access to sufficient working capital to fund administrative and other committed expenditure for a period of not less than 12 months from the date of this report.

Pertinent facts relating to the assessment of the Group's ability to continue as a going concern are:

i. The Company has announced an equity raising of A$1.520M via a placement of 38 million ordinary shares. Of this amount, A$955,000 (before costs) was received in August 2016. The remaining balance of A$565,000 (before costs), which is subject to shareholder's approval is expected to be received in September 2016.
ii. The directors have no reason to believe at this time that the term of the existing Revolving Line of Credit facility with ANB Bank of $6.157M, which currently has a maturity date of 1 June 2017, will not be extended in accordance with the facility terms.
iii. The Group's cashflow forecasts through to 31 December 2017 reflect that the Group will produce positive cash flows from its ongoing operations to enable the Group to meet its other financial commitments as and when they fall due.

Should the Group not be able to execute the strategies set out above, there would be significant uncertainty as to whether the Group would be able to meet its debts as and when they fall due and thus continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the Group not be able to achieve the matters set out above, and thus be able to continue as a going concern.

New accounting standards and interpretations
From 1 January 2016, the Group has adopted all Australian Accounting Standards and Interpretations effective for annual periods beginning on or before 1 January 2016. The Group has not elected to early adopt any new accounting standards and interpretations, New standards adopted by the Group include :

AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138) and AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle
AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

The amendment also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

The adoption of these standards has had no effect on the financial position or performance of the Company or disclosures made by the Company.

Historical cost convention
These consolidated financial statements have been prepared under the historical cost convention.

		30 June 2016	31 December 2015
		$US	$US
2.	**Cash and cash equivalents**		
	For the purposes of the statements of cash flows, cash and cash equivalents comprise the following :		
	Cash at bank and on hand	192,311	445,419
		192,311	445,419
	Note: The Company announced a capital raising of A$1.52M in July 2016.		
3.	**Trade and other receivables**		
	Oil and gas sales debtors	350,378	377,331
	Other receivables	40,932	53,866
		391,310	431,197
	Trade and other receivables do not contain impaired assets and are not past due		
4.	**Inventories**		
	Oil and gas inventory at cost of production	80,198	107,191
		80,198	107,191
5.	**Other financial assets**		
	Term deposit used as security for performance bonds	322,168	321,604
	Other deposits	-	625
		322,168	322,229
6.	**Oil properties**		
	Cost of acquisition and enhancement of production assets	41,553,306	40,929,970
	Accumulated amortisation and impairment provisions	(29,824,422)	(29,191,290)
		11,728,884	11,738,680
	Opening balance – 1 January	11,738,680	6,622,315
	Acquisitions of Silvertip oilfield	-	6,802,404
	Additions	24,825	613,436
	Asset retirement obligation	598,511	(151,561)
	Impairment [(i)]	-	(668,300)
	Amortisation for the period	(633,132)	(1,479,614)
	Closing balance	11,728,884	11,738,680

6. Oil properties (Cont.)
(i) Impairment charge

As at 31 December 2015 the Company assessed each project on a value in use basis to determine whether an indicator of impairment existed, including future selling price, future costs and reserves. As a result, the recoverable amounts of the cash generating units were formally estimated on the basis of value in use calculation using cashflow projections over the life of the oilfields (i.e. 15 to 24 years) resulting in an impairment loss of $835,085 (split between oil and gas properties and plant and equipment) being recognised for the year.

The following assumptions were used in the assessment of the cash generating units' recoverable amounts:

- Discount rate – the discount rate used for the assessment of operating oilfields with a similar production profile, similar characteristics as all existing oil fields is 10%, which was applied to the pre-tax cash flows, expressed in real terms. The discount rate was derived from the Group's weighted average cost of capital, with appropriate adjustments made to reflect the risks specific to the region and the oilfields.

- Oil price - as a result of oil price volatility experienced in 2015, the oil price for future cash flow generation has been based on the forward curve price at the date of assessment. Oil prices are adjusted to account for variances in refinery/transportation charges with a range of $40.97 per barrel to $56.16 per barrel. Gas charges are adjusted to account for the market into which the product is delivered with prices ranging from $2.49 per Mmbtu to $4.01 per Mmbtu.

The resulting impairment assessment on each field in 2015 was as follows:

Cash Generating Unit (CGU)	Description	Net Recoverable amount	Net book value	Impairment
Sheep Springs	Oil and Gas field	$3,506,020	$3,747,570	$325,304
	Plant and equipment		$83,754	$Nil
Round Mountain	Oilfield	$1,173,535	$764,256	$Nil
	Plant and equipment		$30,225	$Nil
Florence	Oilfield	$1,261,359	$1,191,678	$342,996
	Plant and equipment		$579,462	$166,785
Silvertip	Oil and Gas field	$8,880,238	$6,757,278	$Nil
	Plant and equipment		$2,060,241	$Nil
		$14,821,152	$15,214,464	$835,085

A significant portion of undeveloped reserves are considered to be uneconomic at the prevailing price and have been categorised as Contingent Resource as at 31 December 2015 with no value ascribed to them.

The determination of value in use (VIU) for each CGU are considered to be Level 3 fair value measurements in both years, as they are derived from valuation techniques that include inputs that are not based on observable market data. The Group considers the inputs and the valuation approach to be consistent with the approach taken by market participants.

6. Oil properties (Cont.)

For the 30 June 2016 half year, management has reviewed the key economic assumptions underpinning their impairment assessment including production profile, recoverable reserves and discount factor, noting these are still appropriate and have not changed significantly from 31 December 2015. Accordingly, management is of the view that the impairment made at 31 December 2015 remains appropriate and thus no reversal of the provision or further impairment of the oil properties is required.

	30 June 2016 $US	31 December 2015 $US
7. Plant and equipment		
Cost	5,798,077	5,798,077
Accumulated depreciation and impairment	(2,015,083)	(1,761,797)
Net carrying amount	3,782,994	4,036,280
Opening net book value at 1 January	4,036,280	1,019,175
Acquisition of Silvertip	-	3,247,010
Additions	-	105,145
Transfer	-	277,253
Disposals	-	(54,158)
Write-downs	-	(43,534)
Depreciation charges	(253,286)	(347,827)
Impairment charge -see Note 6 (i)	-	(166,784)
Closing balance: net of accumulated depreciation and impairment	3,782,994	4,036,280
8. Trade and other payables		
Current -		
Trade payables and accruals	740,066	911,377
Trade payables are non-interest bearing payables and are normally settled on 30 day terms.		
Non-current - Production taxes payable	14,741	56,494
Total trade and other payables	754,807	967,871
Production taxes are non-interest bearing payables that are owed to the State of Colorado.		
9. Interest Bearing Liabilities		
Current -		
Term loan - secured	950,000	950,000
Revolving line of credit - secured	6,157,160	-
	7,107,160	950,000
Non-current		
Term loan - secured	1,164,857	1,634,033
Revolving line of credit - secured	-	5,657,160
	1,164,857	7,291,193
Total interest bearing liabilities	8,272,017	8,241,193

9. Interest Bearing Liabilities (Cont.)

The secured bank loans are provided by ANB Bank as a US Dollar denominated term loan facility. A loan of $3 million was provided in May 2014 for the purpose of repaying a loan facility from RMB Australia Holdings Ltd.

Term Loan 1 -

- Security - mortgages over the Company's producing oilfields in California and Colorado
- Interest - paid monthly at a rate of 0.50% above the Prime Rate (2016 - 3.75%)
- Term - four years from May 2014
- Principal repayments - monthly equal instalments ($62,500)
- Initial face value of loan - $3.0 million (Balance June 2016 - $1,346,473)

A new loan facility was made available and drawn on for the purpose of acquiring the Silvertip Field in June 2015 (June 2016 - $6,157,160). The loans are made up of two term loans and a line of credit as follows:

Term Loan 2 -

- Security - mortgages over the Company's gas processing plant and spare well equipment at Silvertip Field
- Interest - paid monthly at a rate of 0.50% above the Prime Rate (2016 - 3.75%)
- Term - five years from July 2015
- Principal repayments - monthly equal instalments ($16,667)
- Initial face value of loan - $1.0 million (Balance June 2016 - $794,298)

Line of Credit -

- Security - mortgages over the Company's producing oilfield in Wyoming
- Interest - paid monthly at a rate of 0.50% above the Prime Rate (2016 - 3.75%)
- Term - the loan is currently due for repayment on 1 June 2017
- Principal repayments - interest only repayments on a monthly basis. Principal due to be repaid on or before maturity. Any part of the principal that is repaid before the maturity date may be redrawn up until the maturity date of the loan.
- Initial loan facility limit - $7.0 million (Loan facility limit at 30 June 2016 - $6,408,141)
- Loan balance at 30 June 2016 - $6,157,160

Financial covenants for above loan facilities -

- Modified Current Ratio shall not be less than 1:1
  Modified Current Ratio means, as of the end of any Fiscal Quarter ending after the Closing Date, the ratio of: (a) the sum of Borrower's current assets (including as a current asset any and all unused availability under the Revolving Loan, but excluding assets resulting from any mark-to-market of unliquidated hedge contracts); to (b) the sum of Borrower's current liabilities (excluding the current portion of long term Debt with the exception of principal that is due within ninety (90) days and liabilities resulting from any mark-to-market of unliquidated hedge contracts), all determined on a consolidated basis pursuant to the most recent financial statements delivered by Borrower to Lender. Oil in inventory, not reported on the most recent financial statement, will be added to the current assets at market price.

	30 June 2016	31 December 2015
	$US	$US
10. Provisions		
Current		
Employee entitlements –annual leave	101,115	89,105
Non-current		
Asset retirement obligation	5,449,834	4,792,830

	Employee entitlements	Asset retirement obligation
	$US	$US
As at 1 January 2016	89,105	4,792,830
Movement during the year	55,333	598,511
Utilised/ unwinding of discount	(43,323)	58,493
As at 30 June 2016	101,115	5,449,834
As at 1 January 2015	45,852	1,104,749
Movement during the year	94,113	(151,561)
Utilised/ unwinding of discount	(50,860)	153,590
Acquisition of Silvertip	-	3,686,052
As at 31 December 2015	89,105	4,792,830

	$US	$US
11. Issued capital		
163,834,580 fully paid ordinary shares (31 December 2015: 163,684,580)	22,721,293	22,717,388
Shares reserved for employee share plan		
8,090,900 fully paid ordinary shares (31 December 2015: 7,940,900)	(4,672)	(27,699)

Movement in ordinary shares on issue	2016	
	$US	No
At 1 January 2016	22,717,388	163,684,580
Issued pursuant to employee share plan	3,905	150,000
At 30 June 2016	22,721,293	163,834,580

Movement in ordinary shares on issue	2015	
	$US	No
At 1 January 2015	22,620,836	160,336,680
Issued pursuant to employee share plan	96,552	3,347,900
At 31 December 2015	22,717,388	163,684,580

11. Issued capital (Cont.)

Share options
At 30 June 2016, there were the following unlisted options over unissued fully paid ordinary shares on issue:

5,000,000 options on issue with an expiry date of 27 July 2018 and an exercise price of A$0.1485.

400,000 options on issue with an expiry date of 26 May 2017 and an exercise price of A$0.07.

Share-based payments
In March 2016, 150,000 shares were issued to the employee share trust for the benefit of employees at a price of A$0.045 cents per share.

In June 2015, 1,847,900 shares were issued to the employee share trust for the benefit of employees at a price of A$0.03 cents per share. A further 1,500,000 shares at a price of AU$0.051cents per share were issued in June 2015 but had been expensed in the prior financial year. The shares were valued at the market price of an ordinary share on the grant date.

The equity remuneration is subject to service and performance conditions. A summary of the vesting terms for shares that have been issued to employees during the period are set out below:

No. of shares	Grant date	Vesting conditions	Shares vested (as at 30 June 2016)
150,000	18 March 2016	50% vest on 1 January 2017 50% vest on 1 January 2018 These shares do not have performance conditions attached to them as this served as part of the retention plan.	Nil

For the six months ended 30 June 2016, the Group has recognized $28,187 of share based payment expense in the statement of comprehensive income (30 June 2015: $95,481).

12. Earnings/(loss) per share

	30 June 2016 $US	30 June 2015 $US
Basic earnings per share amounts are calculated by dividing net profit/(loss) for the period attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.		
The following reflects the income and share data used in the basic profit per share computations:		
Net (loss)/profit attributable to equity holders of the parent	(1,096,837)	(694,281)

12. Earnings/(loss) per share (Cont.)

	30 June 2016 $US Cents per share ($US - cents)	30 June 2015 $US Cents per share ($US - cents)
Basic earnings/(loss) per share (cents)	(0.67)	(0.43)
	No.	**No.**
The weighted average number of ordinary shares on issue during the financial period used in the calculation of basic loss per share	163,770,294	160,410,667
	Cents per share ($US - cents)	**Cents per share ($US - cents)**
Diluted earnings/(loss) per share (cents)	(0.67)	(0.43)
	No.	**No.**
The weighted average number of ordinary shares on issue during the financial period used in the calculation of diluted earnings per share	163,770,294	160,410,667

13. Segment reporting

The Group has determined that it operates in one operating segment, being oil and gas production and this is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources in the Group. Accordingly, the financial results of the segment are equivalent to the financial statements of the Group as a whole.

The Australian head office does not engage in direct business activities and as a result, it does not represent an operating segment.

The following segment disclosure is required:

	Australia	USA	Total
Non-current assets	$535	$15,833,511	$15,834,046
Revenue	$11	$2,269,988	$2,269,999

14. Events after the balance sheet date

On 27 July 2016 the Company announced a placement of 38 million new shares at A$0.04 each, before costs and fees. Of this amount, A$955,000 (before costs) was received in August 2016. The remaining balance of A$565,000 (before costs), which is subject to shareholder's approval is expected to be received in September 2016.

Since the end of the period and up to the date of this report, no other matter or circumstance has arisen that has materially affected, or may materially affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

15. Contingent liabilities and commitments

The Group has no material contingent liabilities or commitments at balance date or date of this report.

16. Related party disclosures

In November 2015, Incremental Oil and Gas Ltd entered into a lease agreement with Ascot Park Enterprises Pty Ltd, a company associated with the Chairman, Mr Mark Stowell, to rent office accommodation at 20 Howard Street, Perth. The rent has been set at a rate which is at an arms-length commercial rate for comparable premises. The lease agreement terms are as follows:

Lease term:	1 year plus 3 x one year options
Rental payment:	A$14,887 per annum

17. Financial instruments

Set out below is an overview of financial instruments, other than cash and short-term deposits, held by the group as at 30 June 2016:

	30 June 2016 $US	31 December 2015 $US
Financial assets held at amortized cost:		
Trade and other receivables	391,310	431,197
Total current financial assets	391,310	431,197
Other receivables	322,168	321,604
Other assets	-	625
Total non-current financial assets	322,168	322,229
Total financial assets	713,478	753,426
Financial liabilities held at amortized cost:		
Trade and other payables	740,066	1,037,642
Line of credit	6,157,160	-
Term loan	950,000	950,000
Total Current financial liabilities	7,847,226	1,987,642
Trade and other payables	14,741	56,494
Line of credit	-	5,642,037
Term Loan	1,164,857	1,649,156
Total non-current financial liabilities	1,179,598	7,347,687
Total financial liabilities	9,026,824	9,335,329

Fair values

Set out below is a comparison of the carrying amounts and fair values of financial instruments as at 30 June 2016:

17. Financial instruments (Cont.)

	Carrying amount $US	Fair value $US
Financial assets:		
Trade and other receivables	391,310	391,310
Total current financial assets	391,310	391,310
Other receivables	322,168	322,168
Total non-current financial assets	322,168	322,168
Total financial assets	713,478	713,478
Financial liabilities:		
Trade and other payables	740,066	740,066
Term loan	950,000	950,000
Line of credit	6,157,160	6,157,160
Total current financial liabilities	7,847,226	1,690,066
Trade and other payables	14,741	14,741
Term loan	1,164,857	1,164,857
Total non-current financial liabilities	1,179,598	7,336,758
Total financial liabilities	9,026,824	9,026,824

Trade and other receivables and trade and other payables are short term in nature, therefore carrying amounts approximate their fair values. Term loan and line of credit liabilities are identified as Level 2 in the fair value hierarchy.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Incremental Oil and Gas Limited, I state that:

In the opinion of the directors

(a) The financial statements and notes of Incremental Oil and Gas Limited are in accordance with the Corporations Act 2001, including;

(i) Giving a true and fair view of the Group's financial position as at 30 June 2016 and of its performance for the half year ended on that date, and

(ii) Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

(b) Subject to achieving the matters set out in note 1 to the financial report , there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

John Whisler
Managing Director
Perth

31 August 2016

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Report on the half-year financial report to the members of Incremental Oil and Gas Limited

We have reviewed the accompanying half-year financial report of Incremental Oil and Gas Limited, which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at half-year end or from time to time during the half-year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Incremental Oil and Gas Limited and the entities it controlled during the period, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Incremental Oil and Gas Limited is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the half-year ended on that date; and

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter

Without qualifying our conclusion, we draw attention to Note 1 in the financial report which describes the principal conditions that raise doubt about the consolidated entity's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
31 August 2016

APPENDIX 4D
ASX INFORMATION

The information that is required by the Australian Stock Exchange Limited Listing Rules is as follows.

1. Details of the results for this reporting period and the corresponding prior year period are provided elsewhere in this report.

2. Results for announcement to the market

	Change from prior period	US$
2.1. Revenues from ordinary activities	40% ↑	2,269,999
2.2. Profit/(Loss) from ordinary activities after tax attributable to members	58% ↓	(1,096,837)
2.3. Net profit/(loss) for the period attributable to members	58% ↓	(1,096,837)
2.4. Dividends (distributions)	Nil	Nil

Despite significantly higher volumes of hydrocarbons sold, the financial performance of Incremental was impacted by lower oil prices in the first half of 2016 compared to the prior year. The average price achieved for oil sold in H1-16 of $33.39/Bbl was 30% below the prior year. This resulted in $520,000 reduction in oil revenue.

Field operating expenses in the first half of 2016 ($846,529) were higher than the corresponding prior year period ($383,519) as a result of adding the Silvertip Field to the business operations. The 2016 operating costs represent a lifting cost of $6.73/BOE compared to $11.31/BOE in the same prior year period - based on production volume.

Interest charges in H1-2016 were $176,071 compared to $48,854 in H1-2015 as a result of approximately $6.7M of additional debt used to fund the Silvertip acquisition in June 2015.

Dividends were not considered by the Board due to profitability and requirements for cash reserves into new projects for corporate growth.

3. Net tangible assets per security

June 2016 US$	**December 2015 US$**
0.0109	0.0175

4. Control was neither gained nor lost over any entities during the half year.

5. No dividends were paid during the period

6. The Company does not have a dividend re-investment plan.

7. The Company does not have any Associated Companies or Joint Ventures.