

2nd December 2011

The Manager Companies  
Company Announcements  
Australian Securities Exchange  
20 Bridge Street  
SYDNEY NSW 2000

By: e-lodgement (ASX code: IOG)

Dear Sir/Madam

### **Sixth Round Mountain well of 2011 successful**

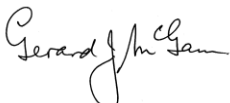
Smoot 6 in Incremental's 100% owned Round Mountain project was spudded on 27<sup>th</sup> November and was drilled without incident to a planned total depth of 2000'. The well is vertical, from the same drilling pad as the horizontal Smoot 3 drilled earlier this year.

Good to excellent mudlog shows with visible oil on the mud with strong fluorescence and elevated gas readings were encountered in the objective sections between 1210' and 1495'. Detailed log analysis is not yet to hand, but a number of prospective zones, which are individually as much as 50' thick, are being evaluated. The present operation is finalising wireline logging after which casing will be run to total depth and the rig will be released.

Ongoing plans are to bring both Smoot 5 and 6 on to production in the coming weeks.

Gerry McGann, Incremental's Managing Director commented, "Smoot 6 is the last of Incremental's 2011 six well programme at Round Mountain. We have drilled horizontal, inclined and vertical wells and targeted all three prospective reservoirs in the Field. Preliminary indications are that all of six of the wells will be commercial producers. This excellent success rate points to a robust development/infill programme in the New Year."

Yours sincerely



Gerry McGann  
Managing Director