

Annual General Meeting

May 31, 2017

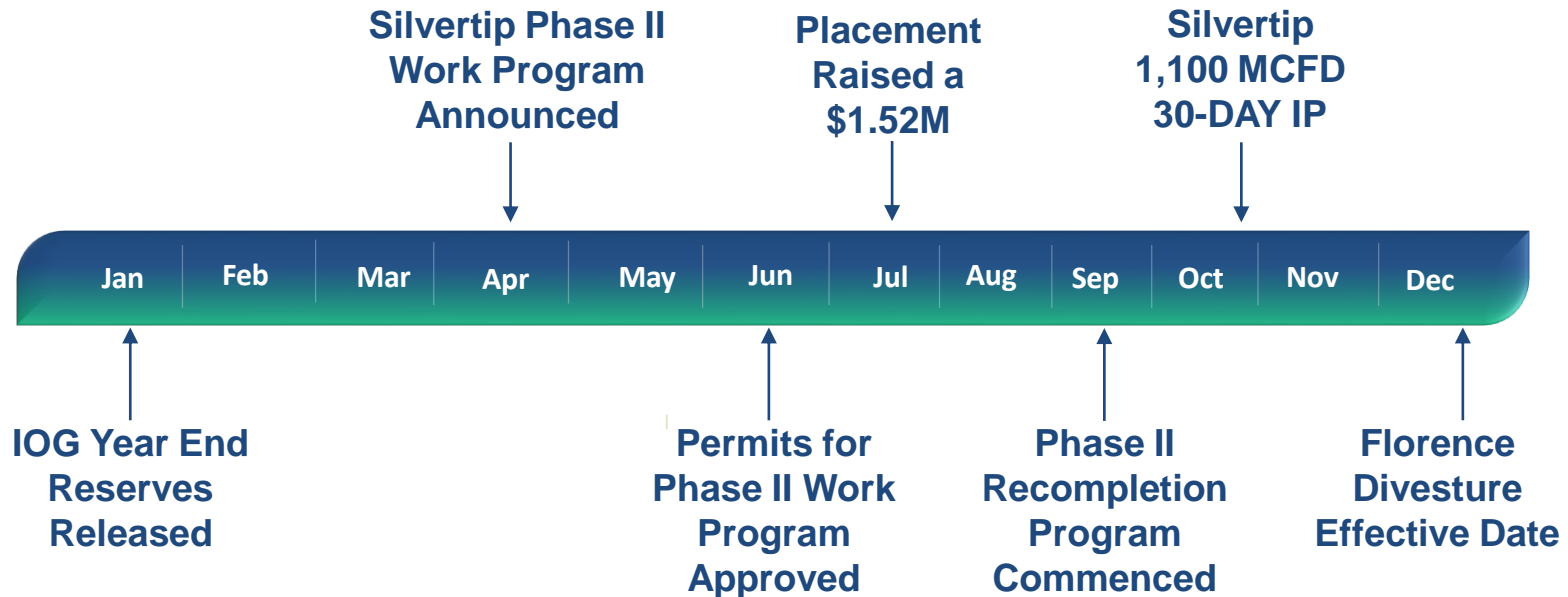
ASX: IOG

www.incremental油和gas.com



incremental
OIL AND GAS
LTD

2016 in Review



Silvertip Development Results

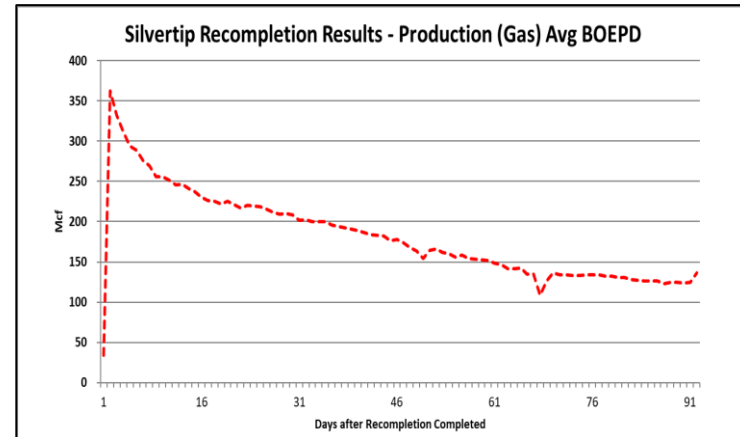
Expectations

- 100-150 MCFd initial production (IP) expected with an EUR of 125 MMCF per well
- \$35k capex budgeted



Results

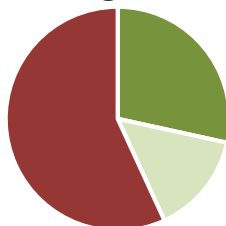
- Average 30 day IP – 245 MCFd (all 10 recompletion wells)
- Average Capex - \$33,500 per well
- Payback of six months (gross basis)



Silvertip Success

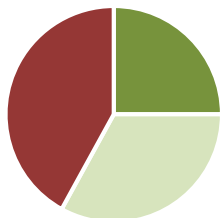
PRODUCTION:

Q4-2016:
817 BOEPD



■ Oil ■ NGL ■ Gas

At-Acquisition:
360 BOEPD



■ Oil ■ NGL ■ Gas

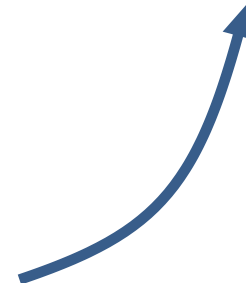


RESERVES:



MMBOE	Proved Reserve (Dec 31, 2016)
Liquids	738
Gas	958
Total	1,696

MMBOE	Proved Reserve (May 1, 2015)
Liquids	621
Gas	268
Total	889



Value Accretion

Purchase Price - **\$6.3M** (Jul-2015)

Value Accretion through:

- Increased production
- Increased reserves

Valuation¹ Range (based on YE 2016 independent reserve report):

	PV ₁₀	PV ₁₅	PV ₂₀
Proved Developed Producing (PDP)	\$11.1M	\$9.5M	\$8.1M
Proved Developed Not Producing (PDNP)	\$2.1M	\$1.6M	\$1.3M
TOTAL PROVED DEVELOPED	\$13.2M	\$11.1M	\$9.4M

1. See Appendix 1 for Valuation Assumptions

Florence Oilfield Sale

- Sale price **US\$2M** (closed April 26, 2017).
- 50 BOPD of Production (Gross) (sales price equivalent to \$40,000/daily flowing barrel).
- 188,000 Bbls of Proved Reserve¹ (\$10/Bbls).
- \$1M of sale proceeds applied to ANB Bank Loan.
- Non-core asset which required disproportionate amount of management time.
- No further near term development potential, 2.5% override royalty interest in deep Niobrara Formation prospect.

1. Refer Appendix 1 for details of Reserve Report – as at December 31, 2016

Slide 6

ASX: IOG

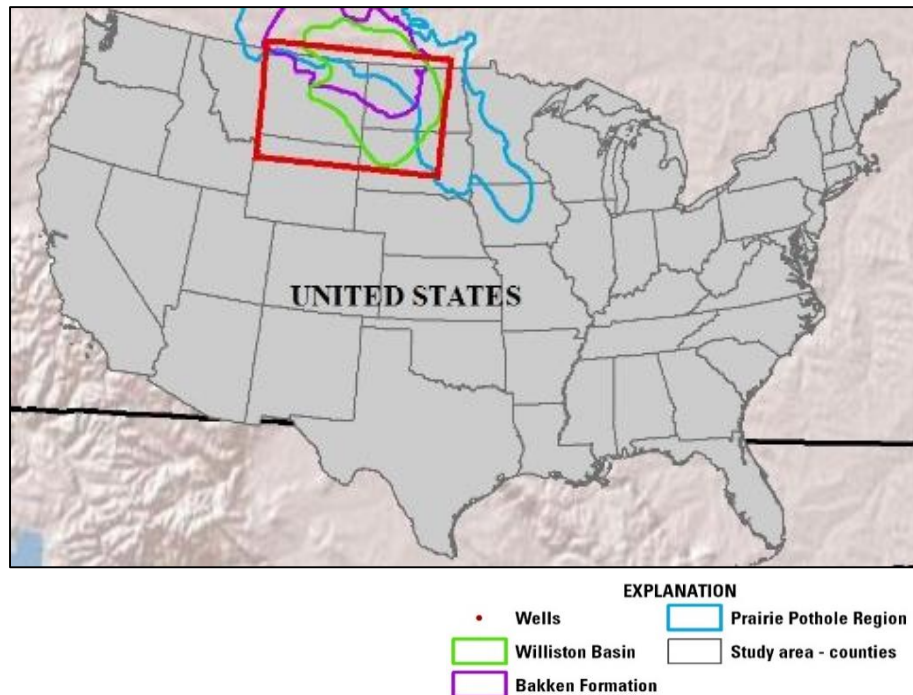
www.incrementaloilandgas.com

Forward Strategy

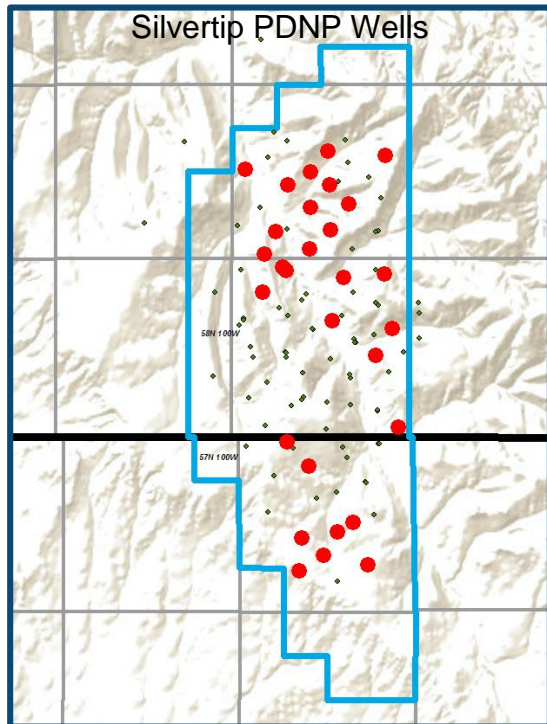


Williston Basin Focus

- Prolific hydrocarbon system
- Oil and gas friendly region
- Actively pursuing PDP and development assets
- Working Interest partner in drilling joint venture (Newporte Field)
 - Exploration well due to spud July 01, 2017
 - Opportunity for long term partnership in Williston Basin
- Further opportunities under review in Williston Basin

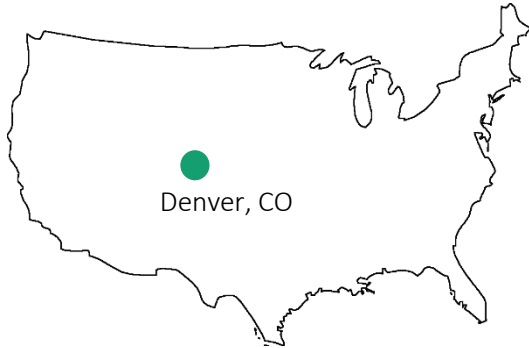


Wyoming Continued Development



- Oil and gas friendly state
- Pursuing Wyoming PDP and development opportunities
- Further development in Silvertip stacked pay shallow gas
 - Meeteetse
 - Mesaverde
 - Virgelle

Contacts



JOHN WHISLER

Managing Director

Email - jwhisler@i-og.net

Telephone - +1 720-763-3183



SIMON ADAMS

Chief Financial Officer

Email - sadams@i-og.net

Telephone - +61 (0)8 6144 0590 or
+61 (0)439 845 435

www.incrementaloilandgas.com

[Twitter](#): @IncrementalOG

[Linkedin](https://www.linkedin.com/company/incremental-oil-and-gas-ltd): <https://www.linkedin.com/company/incremental-oil-and-gas-ltd>

Slide 10

ASX: IOG

www.incrementaloilandgas.com

incremental
OIL AND GAS
LTD

Disclaimer – Forward Looking Statements

This presentation has been prepared by Incremental Oil and Gas Ltd ("Incremental").

This presentation 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 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 degrees, 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; 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 presentations 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.

All references to dollars, cents or \$ in this presentation are to American currency (US\$), unless otherwise stated.

APPENDIX 1

ASSUMPTIONS RELATING TO ESTIMATED VALUE OF SILVERTIP FIELD (DECEMBER 31, 2016)

- 1. Reserve report prepared to independent certified engineer, who has in excess of 25 years of experience as a reservoir engineer in multiple US basins. The evaluation was prepared in accordance with the “Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information” as detailed in the Society of Engineers Standards. The reserve estimates are reported in accordance with the definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/ World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG)/ Society of Petroleum Evaluation Engineers (SPEE) Petroleum Management System (PRMS).**
- 2. Oil and Gas forward strip pricing used:**

Year	Oil (\$/Bbl)	Gas \$/M
2017	\$56.19	\$3.61
2018	\$56.59	\$3.14
2019	\$56.10	\$2.87
2020	\$56.05	\$2.88
2021+	\$56.21	\$2.90
- 3. Future net income is based upon gross income from future production, less direct operating expenses and taxes (production, severance, ad valorem or other). No allowance was made for depletion, depreciation, income taxes or administrative expense. Direct lease operating expense includes direct cost of operations of each lease or an estimated value for future operations based upon analogous properties. Lease operating expense and/or major work over expense were not escalated throughout the remaining producing life of the properties. Neither the cost to abandon properties nor the salvage value of equipment was considered.**