

11 July 2011

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

By: e-lodgement (ASX code: IOG)

Dear Sir/Madam

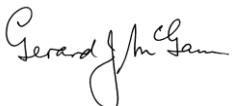
### **Round Mountain Drilling Completed Successfully**

Incremental's Smoot 4 intersected 70 feet of interpreted net pay. Casing has been run to total depth after retrieving the previously reported stuck pipe and running logs. The well will be brought onto production in the coming weeks. Smoot 4 concludes the present three well drilling campaign at Round Mountain.

Managing Director Gerry McGann said "We are delighted at the success of this year's drilling campaign with all 4 wells encountering significant hydrocarbon pay. The 4 well programme cost only \$2.6 million and over \$700k of oil revenue has already been generated from Smoot 1 and 2. Wells 3 and 4 will be brought into production in the coming weeks. We will monitor well performance for several months while building cash reserves. A technical review of the field will be held in September after which further development will be planned.

Near term operations activity will now focus on planning the drilling of the Gujjaral project."

Yours sincerely



Gerry McGann  
Managing Director