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ASX Announcement/Media Release

6 March 2017

FLORENCE PSA EXECUTED

Incremental Oil and Gas Ltd, through its fully owned US subsidiary, is pleased to advise that it has executed a purchase and sale agreement (PSA) with a US subsidiary of Austin Exploration Ltd (ASX: AKK) for the sale of its membership interest in Incremental Oil and Gas (Florence) LLC which owns a 100% working interest in the Florence Oilfield located in Colorado.

The agreed sale price is US\$2M. A non-refundable deposit of \$50,000 was paid in December at the time of signing the term sheet for this transaction. A further \$150,000 deposit has now been paid. The balance of the sale price is to be paid at closing.

The effective date of this transaction is December 31, 2016 with a closing date expected within 50 days of signing the PSA.

Incremental retains a 2.5% overriding royalty interest in the prospective Niobrara Formation which underlies the Pierre Formation.

Funds received from this sale will be applied towards debt repayment and acquisitions currently under evaluation.

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.