

Securities Trading Policy

Incremental Oil and Gas Limited ABN 66 138 145 114

1. Introduction

The ordinary shares of Incremental Oil and Gas Limited (**Company**) are listed on the Australian Stock Exchange (**ASX**). This document sets out the policy of the Company concerning dealings in the Company's securities by:

- (a) directors of the Company and their associates; and
- (b) members of the Company's Executive Management team and their associates.

The purpose of this policy is to establish a best practice procedure relating to buying and selling securities that provides protection to both the Company and Directors and Executives against the misuse of unpublished information which could materially affect the value of securities.

2. Definitions

In this policy, unless the context otherwise requires:

Closed Periods means each of the following periods:

- (a) two weeks prior to the release of each of the Company's annual and half yearly accounts to the ASX;
- (b) one week prior to release of the Company's quarterly reports; and
- (c) any other time that the Managing Director, in consultation with the Chairman, declares as a Closed Period.

Company Securities includes ordinary shares, preference shares, options, debentures (including convertible notes), prescribed interests, derivatives and warrants issued or made available by the Company or any associated company that is listed for trading on the ASX.

Director means a director of the Company and includes a "Related Party" as defined in the *Corporations Act 2001* (Cth).

Executive means a member of the Company's Executive Management team and includes a "Related Party" as defined in the *Corporations Act 2001* (Cth).

Inside Information has the meaning given in the *Corporations Act 2001* (Cth).

trading includes purchasing or selling Company Securities or any option in relation thereto and **trade** has an equivalent meaning.

3. Policy

3.1 Responsibility of Directors and Executives

Directors and Executives must comply at all times with the provisions of the *Corporations Act 2001* (Cth) and ASX Listing Rules concerning trading including:

- (a) insider trading provisions;
- (b) market manipulation provisions;
- (c) substantial shareholder notice provisions; and

- (d) notification requirements.

It is each Director's and Executive's own responsibility to ensure that they are fully aware of their legal obligations with respect to trading.

3.2 Insider Trading

Directors and Executives must not at any time whilst they are in possession of Inside Information trade in Company Securities or procure any other person to trade in Company Securities until after:

- (a) disclosure to the public of the Inside Information, whether by way of press release, disclosure to the ASX or filing made with securities regulatory authorities; or
- (b) the Inside Information ceases to be material.

3.3 Closed Periods

Subject to item 3.2 above and the other provisions of this Policy, Directors and Executives may trade in Company Securities at any time except other than Closed Periods.

3.4 Prior Notification of Trading

Directors and Executives must not trade in Company Securities without first notifying the Company Secretary and obtaining clearance from:

- (a) in the case of the Managing Director, the Chairman;
- (b) in the case of the Chairman, the Chairman of the Audit Committee; and
- (c) in all other cases, the Chairman or, in his absence, the Managing Director.

Directors must provide written confirmation of any trading in Company Securities to the Company Secretary for lodgement of the appropriate forms at the ASX.

3.5 Trading in a Closed Period

Directors and Executives may only be permitted to trade in Company Securities in a Closed Period with the prior written approval of:

- (a) in the case of the Managing Director, the Chairman;
- (b) in the case of the Chairman, the Chairman of the Audit Committee; and
- (c) in all other cases, the Chairman and the Managing Director,

which will only be given in exceptional circumstances (such as severe financial hardship), and is subject to the other provisions of this policy. The trading must occur in accordance with the terms of the written approval.

3.6 Participation in Rights Issues, Dividend Reinvestment Plans etc.

The Closed Periods do not restrict Directors and Executives from participating or accepting entitlements under the any rights issues, share purchase plans, dividend reinvestment plans (or similar) that are available to the Company's shareholders on the same terms, but do apply in respect of any subsequent trading of Company Securities to which the Directors and Executives become entitled under those plans or arrangements.