

INVESTOR BRIEFING

DECEMBER 2015

- GROWTH STRATEGY ● CASH FLOW
- EXPERIENCED BOARD/MANAGEMENT
- LOW COST PRODUCER



ASX: IOG

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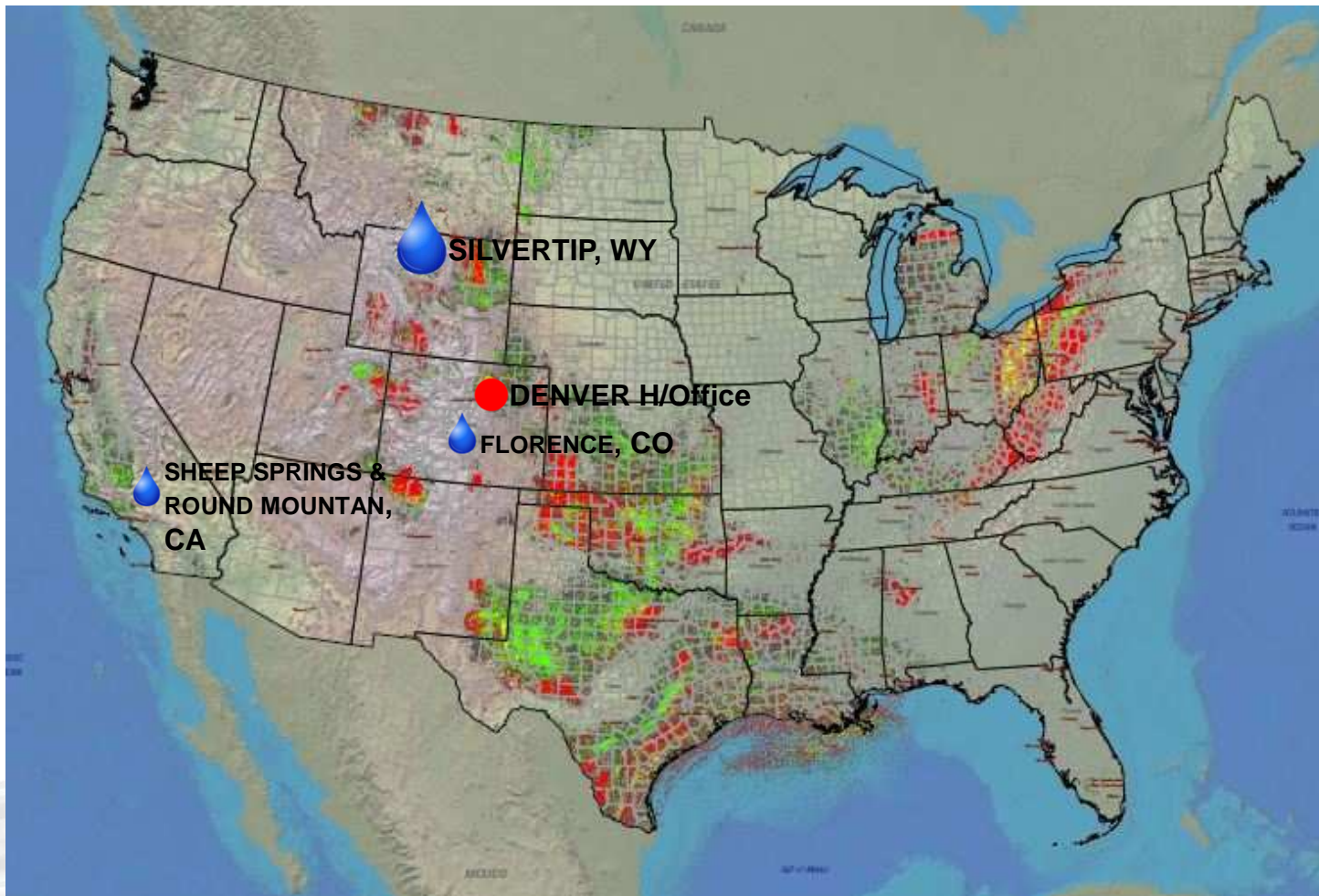
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OIL AND GAS
LTD

HIGHLIGHTS

- **Low cost oil and gas producer**
- **Growth Strategy**
- **Leveraged to future oil and gas price increases**
- **Experienced Board and Management**
- **Strong Geological and Engineering expertise**

PROVEN OIL & GAS BASINS



NEW PARADIGM - OPPORTUNITIES

Source: US Energy Information Administration



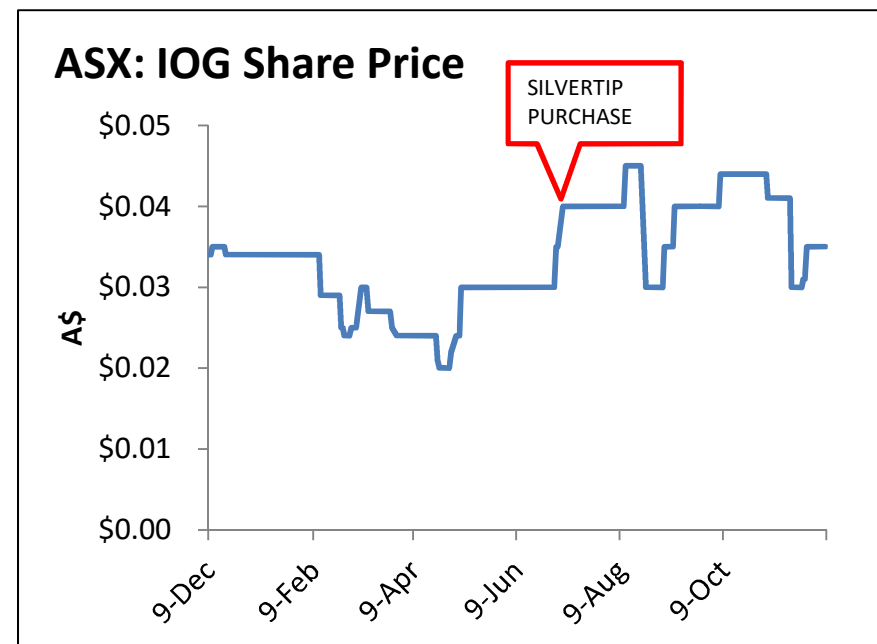
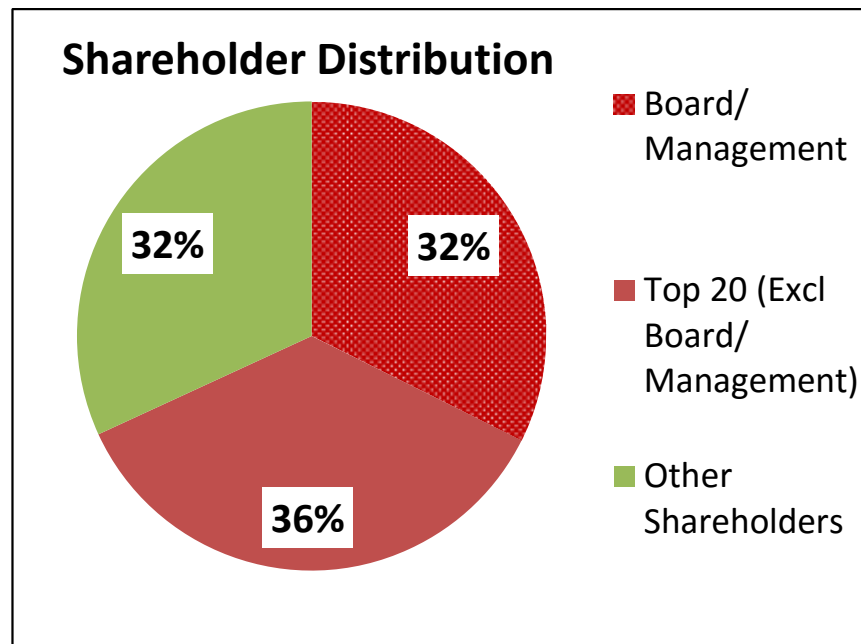
BOARD AND MANAGEMENT ARE INVESTED IN FUTURE SUCCESS

Ordinary shares on issue

163,684,580

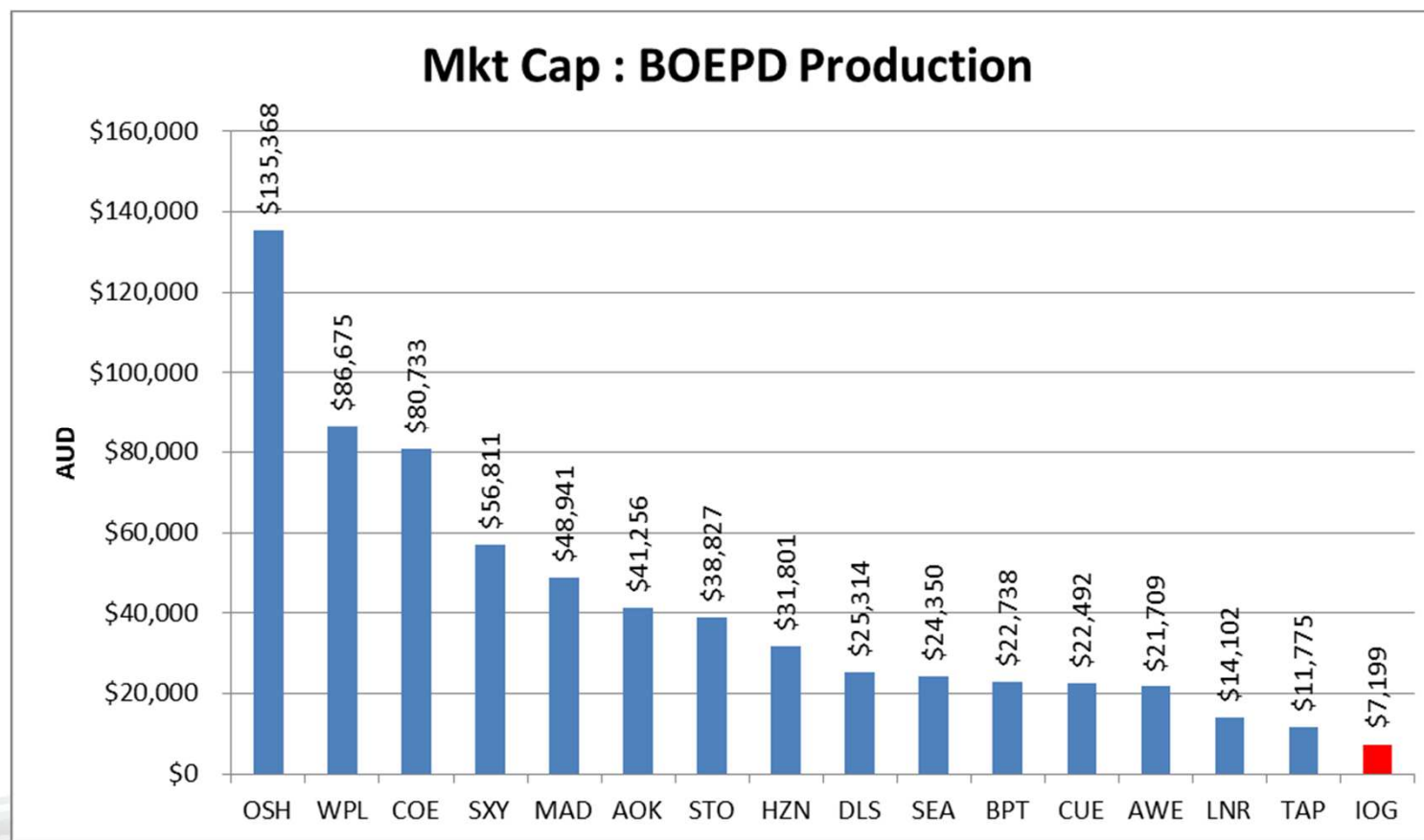
Options on issue¹

5,400,000



1. 5,000,000 exercisable at A\$0.1485 before 27 July 2018 + 400,000 exercisable at A\$0.07 before 26 May 2017

VALUE COMPARISON - MKT CAP:BOEPD PRODUCTION¹



1. Based off production in July-September 2015 quarter with Market cap based off A\$ ASX share price as at 30-Sep-15

FIELDS PROFITABLE AT CURRENT OIL AND GAS PRICES

Per BOE ¹ (Q1-Q3 2015)	Revenue ²	Royalties and Prod'n tax ³	Field Operating Costs	Netback/ Gross Profit Margin
Silvertip, Wyoming ³	\$21 (24% oil, 48% gas, 28% NGL)	(\$5.9)	(\$5.4)	\$9.8 / 46%
SS & RM ⁴ , California	\$47	(\$8.3)	(\$10.1)	\$28.6 / 61%
Florence, Colorado	\$40	(\$9.9)	(\$9.9)	\$19.9 / 50%

1. BOE assumes conversion of gas at a rate of 6Mcf of gas to 1 Bbl Oil and 42 gallons of NGL to 1 Bbl Oil
2. Avg. price received per barrel of oil or barrel of oil equivalent (BOE) (Silvertip)
3. Assume tax rate of 2.5% for CA Fields, 5% for CO Field and 12% for WY Field
4. SS - Sheep Springs Field and RM - Round Mountain Field

EXPERIENCED LEADERSHIP

Mark Stowell
Non-Exec Chairman



Involved in public company corporate sector for over 25 years including significant IPO and merger activities in the resource and energy sectors. Founder of IOG.

John Whisler
Managing Director



More than 25 years experience in the oil and gas industry in a broad range of skills including business development, project management, exploration, field production, drilling and completions. PETROGULF: VP Operations, 2001-2008. DELEK: CEO, 2008-2011.

Gerry McGann
Non-Exec Technical Director



Over 40 years experience in the upstream oil and gas industry as a petroleum geologist. OCCIDENTAL: Increased Oman production from 32k to 52k bopd in 3 years. INCREMENTAL PETROLEUM: Second largest oil production company in Turkey, founder and Managing Director. Founder of IOG.

Matt McCann
Non-Exec Director



More than 20 years of experience in the legal and energy sectors. SANDRIDGE ENERGY: Senior VP 2005-07. TRANSATLANTIC PETROLEUM: CEO. 2009- 2011 Grew from junior explorer to a significant international oil and gas producer in 2 years

STRONG EXECUTIVE TEAM

Simon Adams
CFO/ Co. Sec.



Over 20 years of experience with a number of ASX listed companies in various sectors including energy, agribusiness, resources and property.

Jennifer Cadena
VP Land and Legal



Extensive legal experience in the oil and gas sector with experience in contracts, land use, regulatory issues and litigation.

Will Duggins
Senior Geologist



Considerable geological experience in petrophysical analysis, sequence stratigraphy, seismic interpretation, core interpretation, field mapping and integrating production data into geological models

WHY IS INCREMENTAL IN THE USA?

- Over 5 million wells and an extensive delivery/transportation system in place – mature industry
- Largest hydrocarbon market in the world
- Strong deal flow
- IOG has a substantial database of information and contacts

ACQUISITION PROCESS

- Disciplined and well researched due diligence process undertaken to identify suitable targets
- Reviewed more than 40 opportunities over 8 months during 2014/15
- Identified and secured Silvertip in June 2015

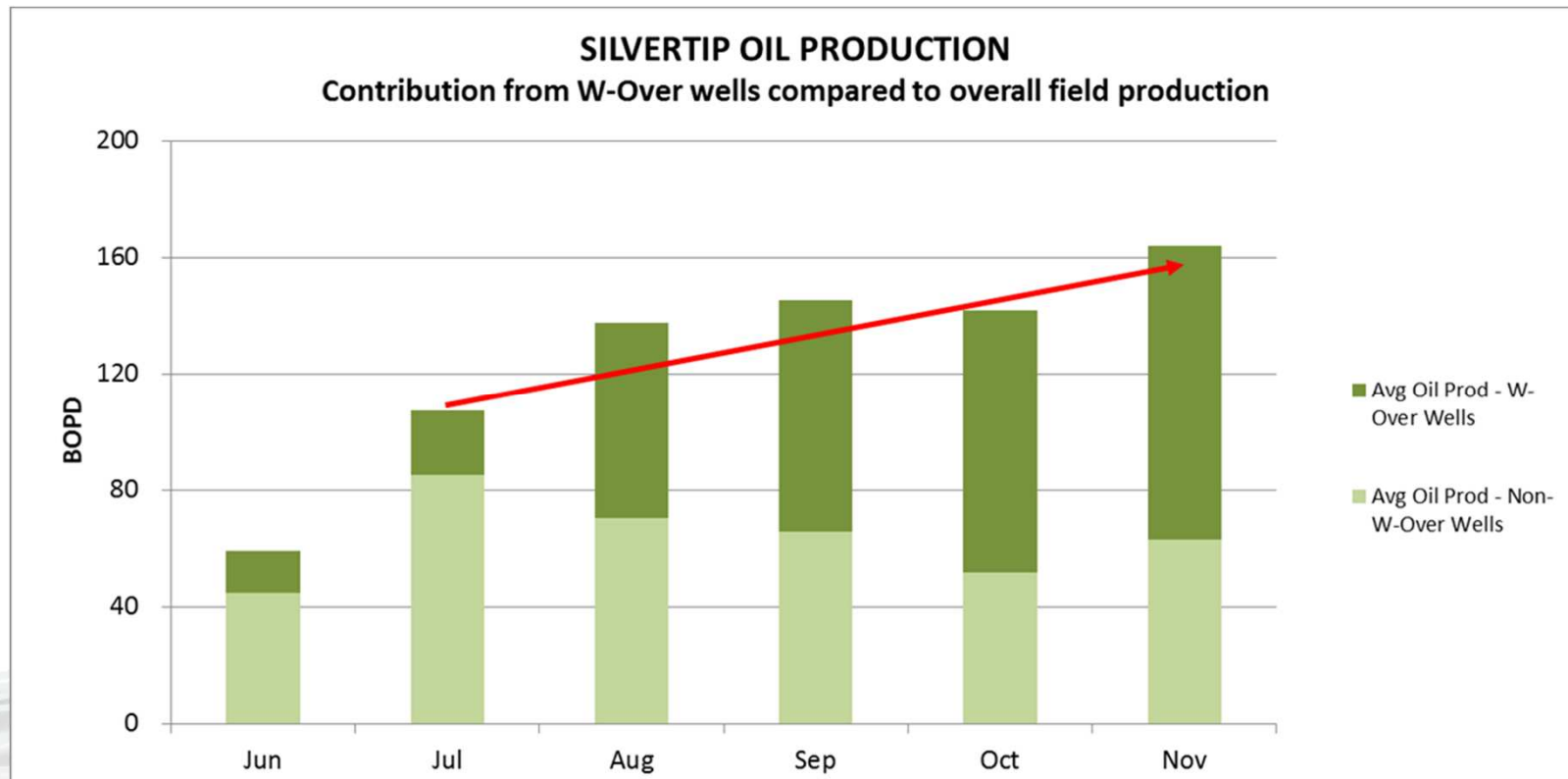
SILVERTIP PURCHASE

- Purchase price – US\$6.3M (funded by debt finance)
- Significant surface equipment already in place including gas processing and stripping plant
- 100% working interest (WI) & 82.5% average net revenue interest (NRI)
- 105 wells including 90 producers, 2 water injection wells and 13 shut in wells

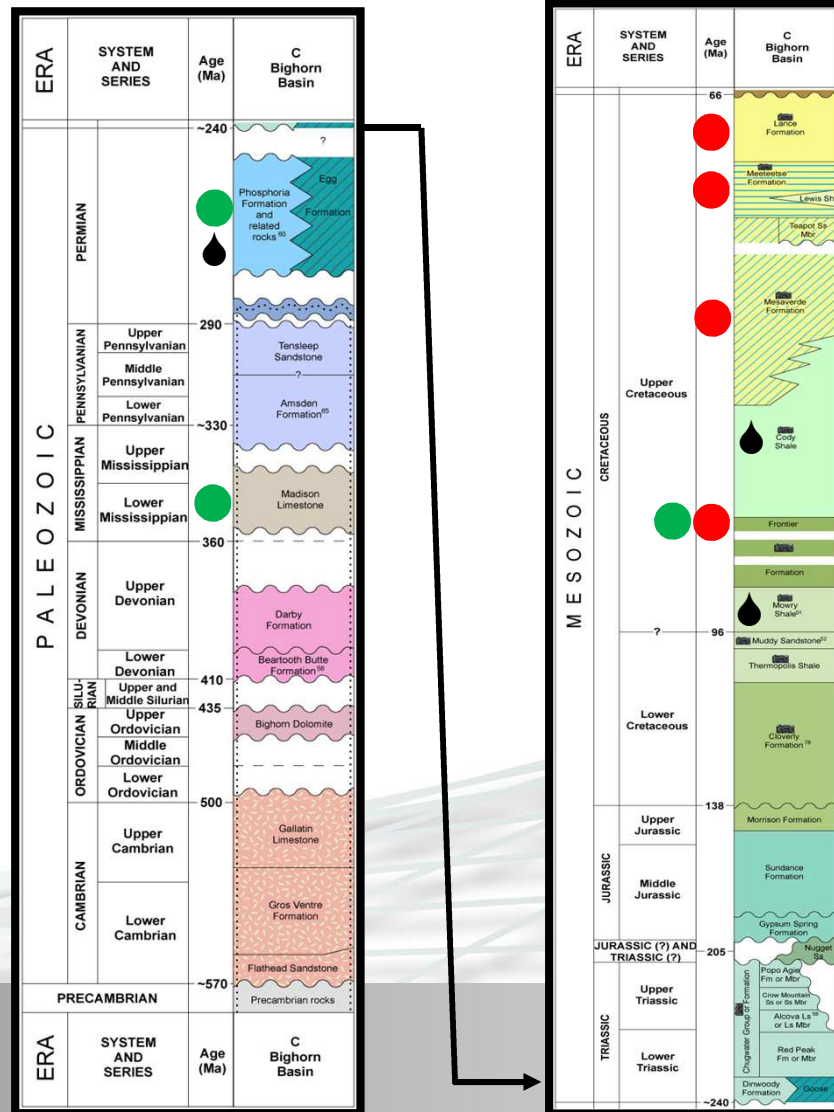
SILVERTIP PRODUCTION

Oil production since acquisition -

27 workovers since July focusing on oil producing wells



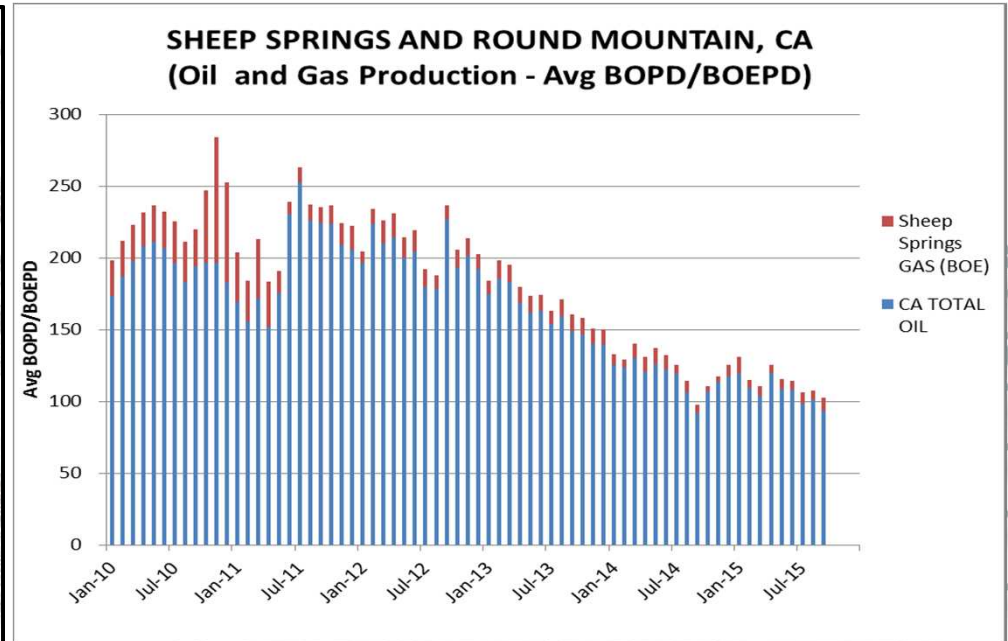
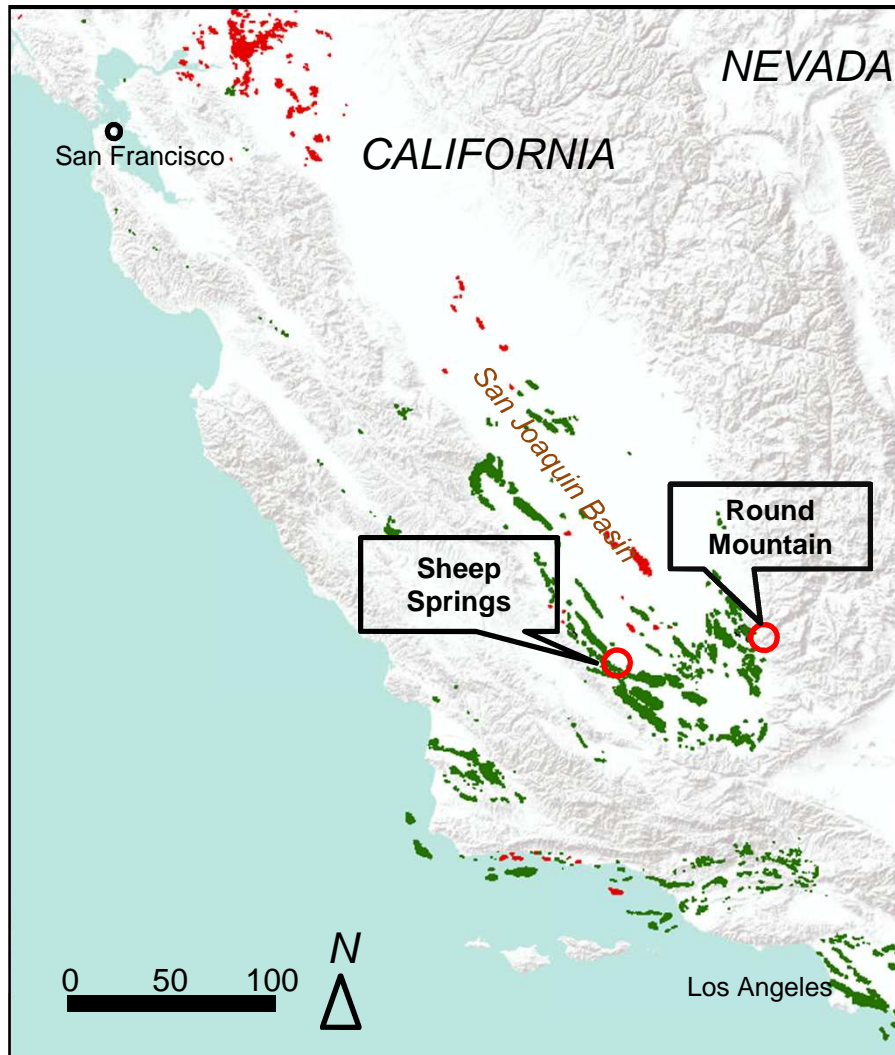
MULTIPLE OPPORTUNITIES (from existing wells – derisked development)



- Stacked pay in multiple zones (1500-9000 ft)
- Proven production from 6 different formations (Oil ● and Gas ●)
- Oil and gas generated from several different source rocks (●)

Formation	Approx Measured Depth (ft)
Lance	1500
Meeteetse	2000
Mesaverde	3000
Frontier	6000
Tensleep	8600
Madison	9000

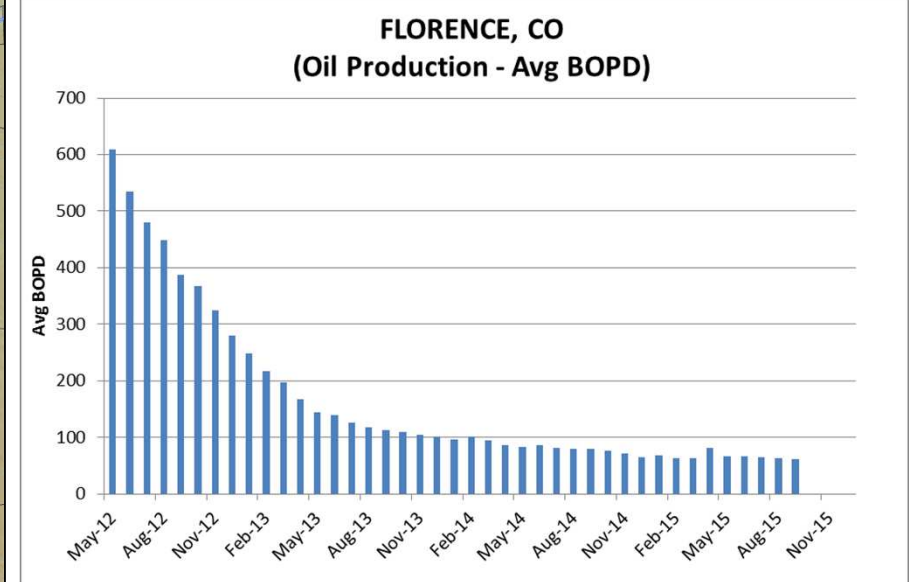
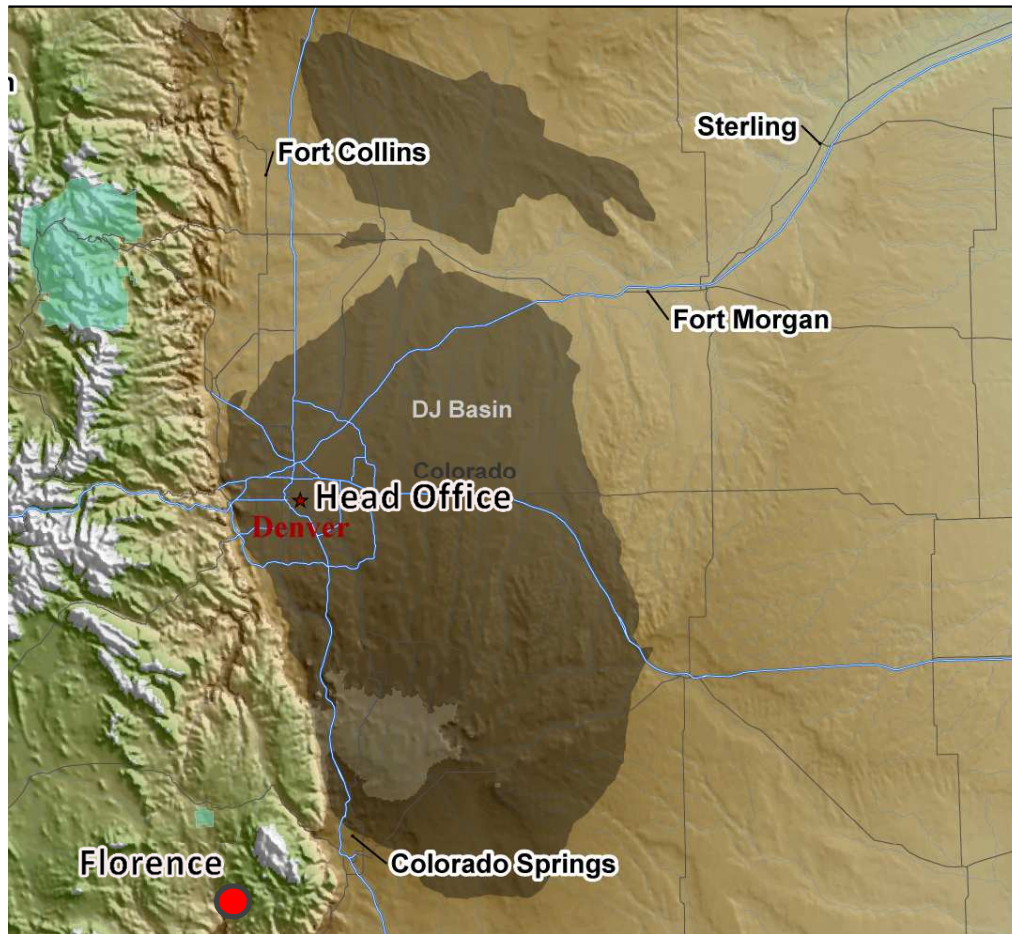
CALIFORNIA PROJECTS



- Sales⁽¹⁾ (2010-2015): \$27.4 million

Oilfields have provided good stable cash flow with low decline rates

COLORADO PROJECT



- Sales ⁽¹⁾ (2012 - 2015): \$16.0 million
Low decline since 2014.

1. Net Revenue to IOG (after refinery charges & royalty)

BUSINESS GROWTH PLAN

- Identify and acquire long-life, profitable oil/gas fields with development potential
- Continue with field optimization programs – workovers and recompletions
- Increase reserve base to add value and leverage borrowing capacity
- Dividends – subject to availability of surplus working capital

WHY INVEST IN INCREMENTAL?

- **Under valued compared to peers**
- **Leveraged to oil and gas price turnaround - counter cyclical investment opportunity**
- **Well researched and selective growth strategy in place which is being delivered**
- **Strong Board and Management with significant investment in the Company**
- **Cost efficient producer**

PRESENTER CONTACTS

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