

5 July 2013

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

By: e-lodgement (ASX code: IOG)

Dear Sir/Madam

RMB Debt Rescheduling

Incremental Oil and Gas Ltd is pleased to announce that it has negotiated an extension to the term of the remaining loan with RMB Resources Ltd (RMB) that was drawn down for the purchase of the Florence Oilfield in 2012. This rescheduling has been sought in order to ensure that Incremental will be in a position to meet its drilling objectives in 2013. The original debt of US\$6M was due to be fully repaid in 2013 through the payment of quarterly instalments of US\$1.5M. US\$2M of the principal has been repaid to date. The repayment schedule has been revised to quarterly instalments of US\$500,000 over the period until the end of 2014 when a final payment of US\$1.5M will be made. In return for the extension, the Company will issue between 4-5 million (depending on the use of funds from future cash reserves) unlisted options to RMB with a strike price being 10% above the 10 day VWAP at the date of issue and a term of five years. All other material terms of the loan remain unchanged.



SIMON ADAMS
Company Secretary