

27<sup>th</sup> November 2012

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

By: e-lodgement (ASX code: IOG)

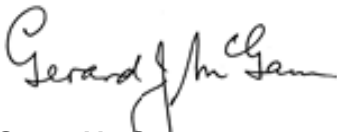
Dear Sir/Madam

**Smoot 8 produces 59 bopd**

Incremental is pleased to announce that Smoot 8 in the company's Round Mountain Oilfield in California has produced an average of 59 barrels of oil per day with 236 barrel of water per day over the first six days of production. The associated water production is not unexpected and the water can be re-injected in our water disposal well. Incremental holds a 100% working interest in the Round Mountain lease.

A recent interview with Peter Switzer of Sky News presented a more general company and industry update and is now available on the company's web site – [www.incremental油和gas.com](http://www.incremental油和gas.com).

Yours sincerely



**Gerry McGann**  
**Managing Director**