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31 October 2008

Company Announcements
ASX Limited
Electronic Lodgement System

Dear Fellow Incremental Shareholder

I am taking this final opportunity to write to you as there are now just a few days before Cooper Energy's Offer for your shares closes at 7pm (Sydney time) on **Friday, 7 November**.

There are many reasons why you should accept this compelling Offer, including:

- Cooper's unconditional Offer is currently the only Offer available for you to accept;
- By accepting, you will remain invested in Incremental's assets;
- By accepting now, you will get paid within 14 days; and
- You have a choice of 50 cents CASH plus 1.9 Cooper shares OR 3.1 Cooper shares for each of your Incremental shares.
- Cooper is offering *certainty* – don't take a risk on an *uncertain* alternative.

Cooper is Incremental's largest shareholder, currently with approximately **one quarter** of the company. One of Incremental's joint venture partners has proposed a rival and highly conditional alternative that is unlikely to provide you with payment until well into next year.

This is simply a distraction to discourage you from accepting Cooper's Offer.

In the current volatile market and financial credit crisis, we urge you to accept the certainty of payment. By accepting Cooper's offer, you will also remain invested in what we firmly believe is a better and stronger Australian-based oil and gas exploration and production company.

Our Offer **is final and will cease to be available to you** after Friday, 7 November. We believe that Incremental's share price is likely to fall significantly when our Offer closes.

ACCEPT NOW for certainty of payment and a robust and secure future.

If you have any questions, please feel free to call my office direct on (+61-8) 9368 5833 or the Cooper Energy Offer Information Line Toll Free on 1300 653 882 or +61-2 8986 9330.

Yours sincerely

Laurie Shervington
Chairman