

11 February 2014

ETTY-1 UNCONVENTIONAL SHALE GAS WELL SPUDS

Icon Energy Limited (**ASX: ICN**, "Icon") advises that the ETTY-1 well in ATP 855 spudded at 04:30 hours on Sunday 9th February 2014.

Etty-1, a vertical exploration well in ATP 855, will be drilled by the Ensign 965 rig to an expected depth of 3,800 metres to further evaluate the basin-centred gas play in the Queensland portion of the Nappamerri Trough.

The Etty-1 vertical exploration well will be:

- Located 8.6 kilometres east of Halifax-1;
- Specifically targeting the basin-centred gas potential of the Permian Formations, from top Toolachee to top Patchawarra Formation;
- Cased and suspended for fracture stimulation and production testing to assess deliverability of the basin-centred gas play.

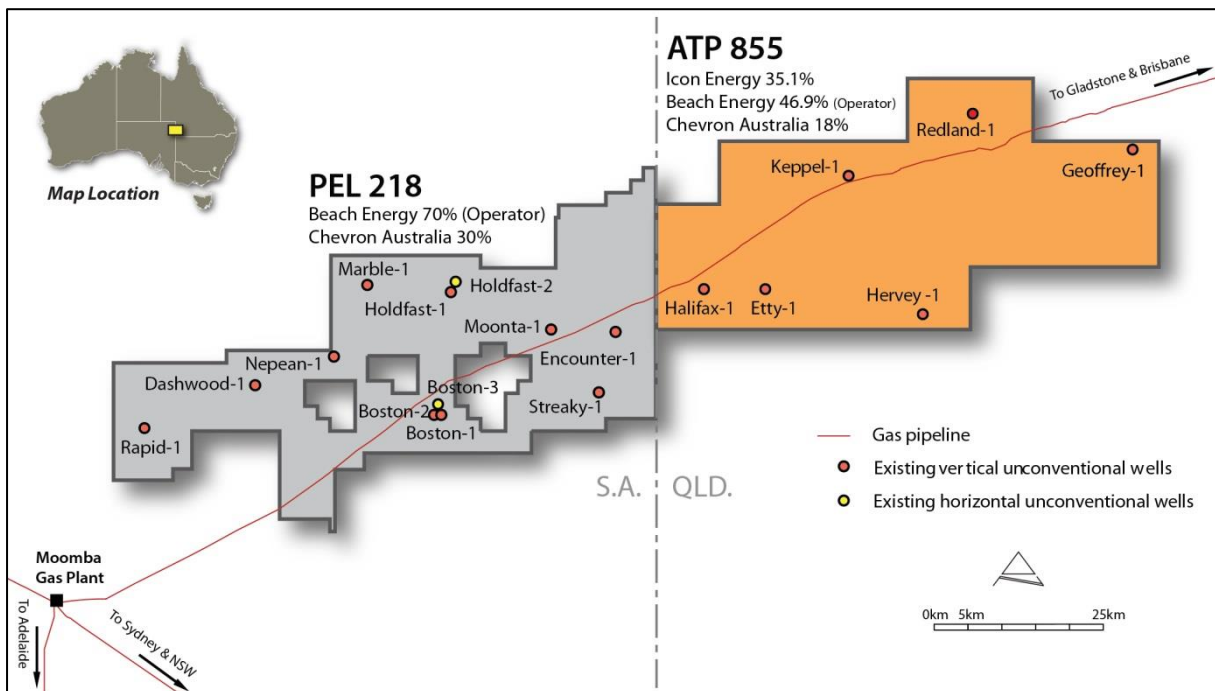


Figure 1: PEL 218 / ATP 855 Well Locations

Etty-1 is the sixth well in ATP 855 following on from Halifax-1, Hervey-1, Keppel-1, Geoffrey-1 and Redland-1, all of which confirmed the continuation of the basin-centred gas play in the Nappamerri Trough in Queensland. Notices of Petroleum Discovery have already been lodged with the Department of Natural Resources and Mines (DNRM) for Halifax-1, Keppel-1 and Redland-1.

Figure 1 shows the location of all the wells drilled in the ATP 855 permit to date and Figure 2 shows an east-west structural cross section through ATP 855.

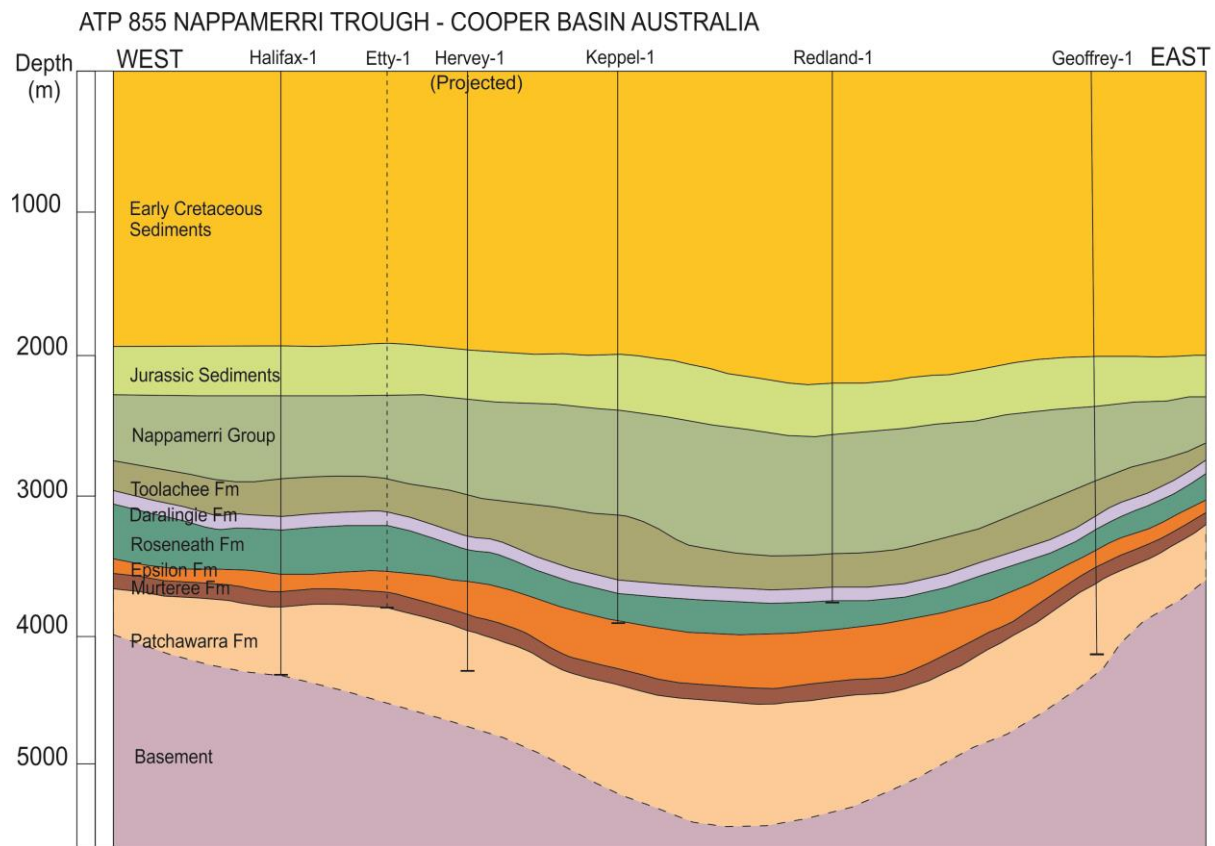


Figure 2: Structural cross section through Halifax-1, Etty-1, Keppel-1, Redland-1 and Geoffrey-1 in ATP 855. Hervey-1, which is located southeast of this cross section, has been projected onto the cross section to show its relative position.

The 2014 work program will include hydraulic stimulation and extended well testing commencing in the third quarter of 2014. This will involve optimisation of the hydraulic stimulation program which will focus on specific horizons in each well across the permit, subject to joint venture approval.

During the drilling of Etty-1 we will provide meaningful and timely announcements on the progress of the well which will be published on Icon's website.

Icon is of the opinion that the Nappamerri Trough has the potential to be a world class shale and basin-centred gas province.

Joint Venture Interests in ATP 855

Icon Energy Limited 35.1%

Beach Energy Limited (**ASX: BPT**) 46.9% (Operator)

Chevron Australia Exploration 1 Pty Ltd 18%

A handwritten signature in black ink, appearing to read "R Mallett".

R Mallett
Company Secretary

For more information contact Icon Energy;

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