

Operations Commence in the ATP 855 Hydraulic Stimulation and Testing Program

Icon Energy Limited (**ASX: ICN, "Icon"**) advises that the ATP 855 Joint Venture has commenced its operations in the ATP 855 permit with a wellbore cleanout of the Geoffrey-1 well, which is being undertaken by Condor Energy Services Limited (Condor).

A Coiled Tubing Unit (CTU) has commenced a cleanout operation in the Geoffrey-1 well prior to perforating a single zone in the Lower Patchawarra and conducting an injectivity test. This activity is designed to determine whether the lowermost interval in this well will be stimulated prior to being tested.

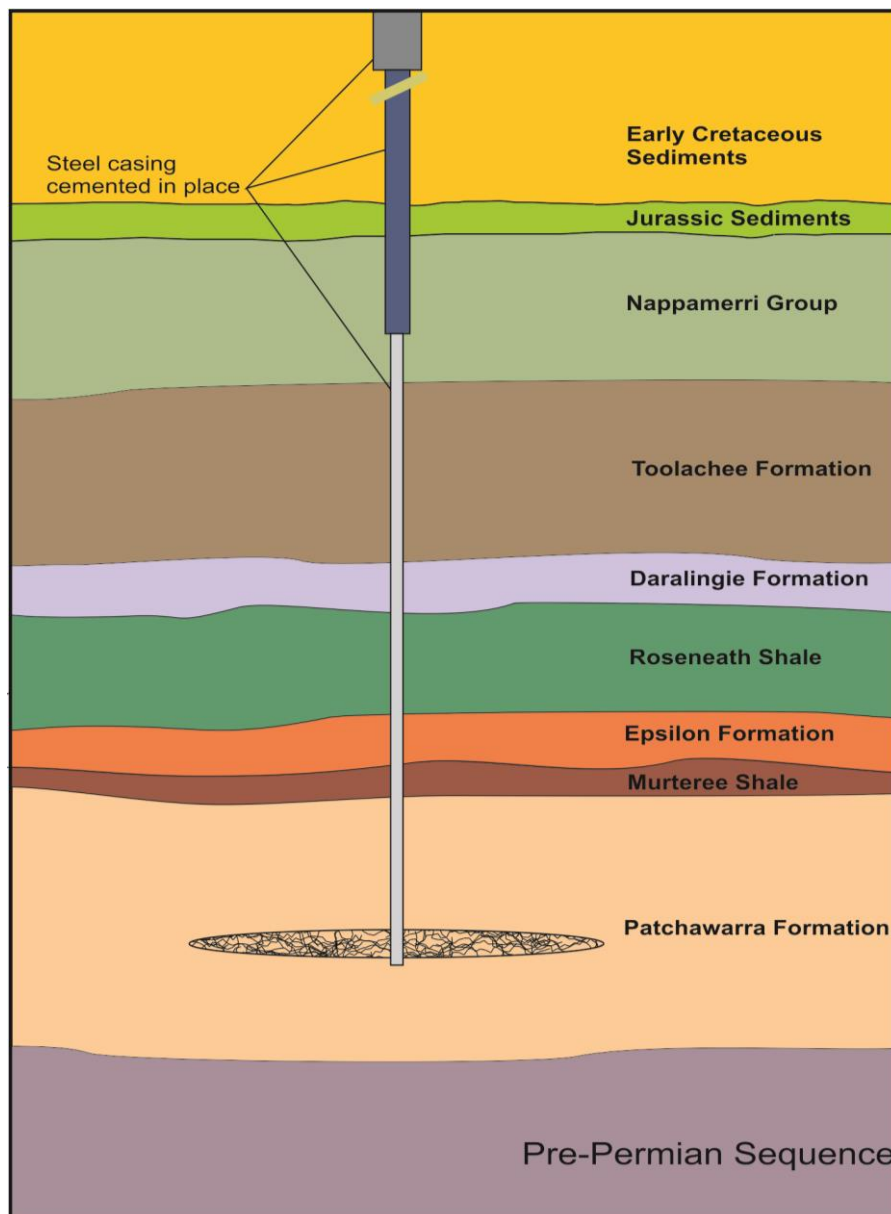


Diagram showing the Lower Patchawarra zone to be tested in Geoffrey-1

Following testing of the lowermost interval in Geoffrey-1 and, subject to Joint Venture approval, shallower formations will subsequently be stimulated and flow tested in order to evaluate the flow characteristics of those individual formations. This will lead to a better understanding of the overall gas deliverability from the well.

This program, involving hydraulic stimulation and extended flow testing of specific formations in the Geoffrey-1, Hervey-1, Redland-1, and Etty-1 wells which is expected to take approximately six weeks to complete, is designed to better understand the gas production potential from the Permian Formations (Toolachee to Patchawarra Formations) within the Nappamerri Trough in Queensland.

The first planned hydraulic stimulation activity will commence at the Hervey-1 well in approximately one week and will be followed with hydraulic stimulations at the Redland-1 and Etty-1 wells.

As the stimulation and testing program in ATP 855 progresses over the coming weeks, we will provide timely updates to the market.

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

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