



17 April 2013

## UNCONVENTIONAL SHALE GAS EXPLORATION UPDATE

Icon Energy Limited (**ASX: ICN, "Icon"**) wish to provide an update on our unconventional shale gas exploration program in ATP 855P.

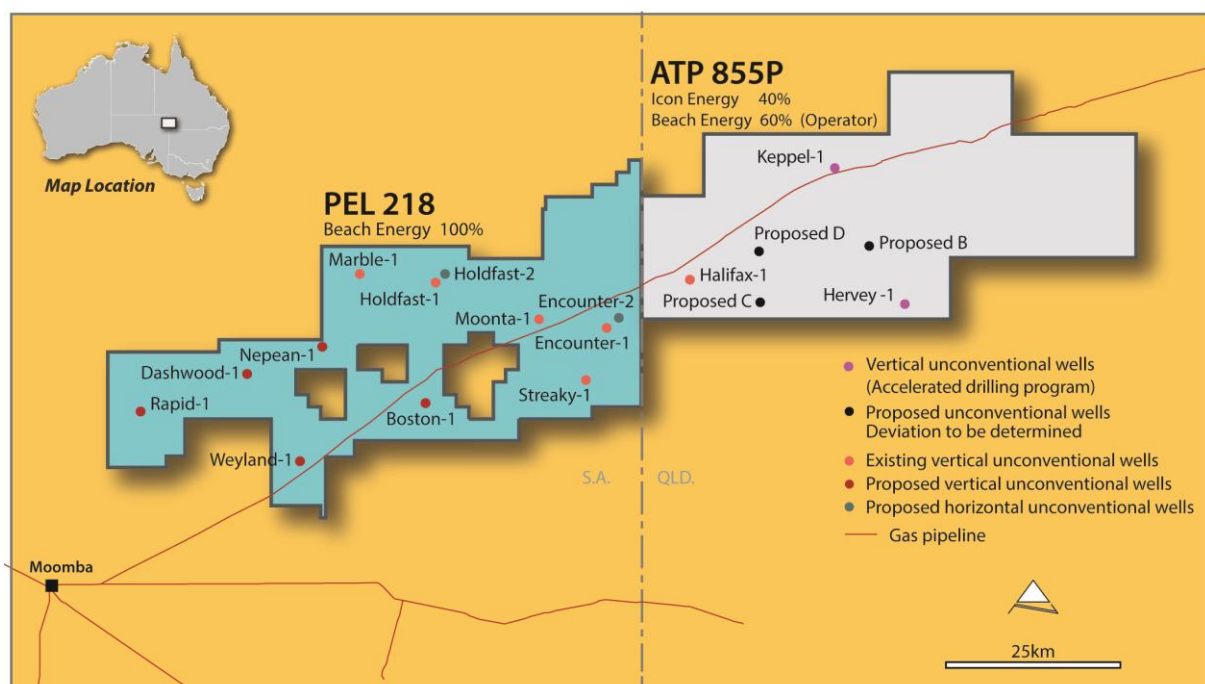
The Halifax-1 well had a peak gas flow rate of 4.2 MMscf/d, however, due to a faulty temperature gauge, this rate resulted in the maximum recommended temperature for the wellhead being exceeded. The faulty temperature gauge was discovered prior to shut-in of the well due to rain, at which point the well was flowing at 3.5 MMscf/d. After the well was re-opened, it flowed briefly at 4.5 MMscf/d, with the well immediately choked back to 2.0 MMscf/d to maintain temperatures within desired operating conditions, at which level it remained for the majority of March. The well is now flowing an unconstrained 1.7MMscf/d and currently flowing back stimulation fluid.

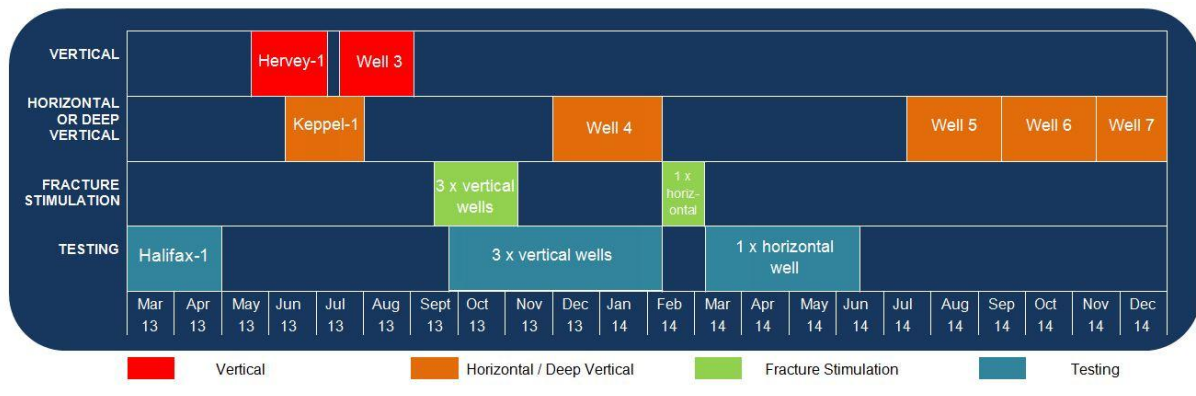
Halifax 1 is the first well drilled as an exploration well in the 400,000 acre tenement and the gas flowing from Halifax-1 represents proof of concept for a continuation of the deep tight basin centered gas play in the Queensland side of the Nappamerri Trough and the Joint Venture is now focussed on an accelerated drilling program.

The lessons learned from drilling and hydraulic stimulation of Halifax-1 will be applied to future wells in the accelerated exploration program to optimise flow rates.

The Joint Venture (**ASX: BPT**, Beach Energy operator) plans to commence drilling the next well, **Hervey-1** in early May and site preparation is currently underway. In addition **Keppel-1** is planned to be drilled using the Ensign 965 rig once it has been released from operations in PEL 218 (Beach Energy 100%).

These wells are located to prove the extent of this discovery and further underpin our exploration program in ATP855P and we are looking forward to the results.





The Nappamerri Trough is a potential world class gas asset and the most advanced shale gas province in Australia and every exploration activity continues to derisk the basin centered gas play.

### Interests in ATP 855P

Icon Energy 40%

Beach Energy 60% (Operator)

Ends

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