

## **SUMMARY OF OPERATIONS**

- The Contract signed with Wellpro Services Pty Ltd for the rehabilitation program in ATP 855 in the Cooper Basin is now expected to commence in early September 2020 with the shipment of equipment now expected in Brisbane from the USA in mid August.
- An investigation of the gas pressures in Halifax -1, identified a possible re-completion gas zone in the normally pressured section of the well.
- The Rehabilitation program has now been modified to complete and test Halifax No. 1 over this sand. If the test yields flow rates above 1 million cubic feet of gas per day and the chemical composition remains as per the original Drill Stem Test result, then the well can be suspended as a producing gas well. Following a full investigation of the results the well could be placed on commercial production. The APA sales gas pipelines are within 2 kms of the well so it would not be difficult to place Halifax No.1 on production.
- East Coast gas markets require additional gas and the State and Federal governments are calling for increased new production in these markets.

### **ATP 855**

The potentially commercial gas zone in Halifax No.1 is above the Permian tight gas sands and is normally pressured. The gas composition at this level has been analysed at 97% methane and contains very small amounts of carbon dioxide. Technical studies of the Halifax well indicate good commercial possibilities for production. It is planned to conduct this work in September 2020.

The rehabilitation program in ATP 855 will continue after the testing of the Halifax well.

### **ATP 594**

“Berella No 1” location in the northern block of the tenement was confirmed as a four way structural closure by the recent 3D seismic survey. Icon’s attempts to procure funding for the well are being impaired by the current low oil price.

## **VICTORIAN TENEMENTS**

The Victorian Government has announced that the Moratorium will be lifted and onshore tenements returned to operational status in July 2021. The ban on fracking will be retained and enshrined in the Victorian Constitution. All future drilling operations in Victoria will be for conventional drilling only.

The Geological Survey of Victoria has advised that when the tenements are re-instated the clock will be reset to zero to start all tenements with a new five year term. In addition it will be necessary to revise the program as our original applications included stimulation which is not allowed.

## SOUTH AUSTRALIAN TENEMENTS

PRLs 35, 37, 38, 41, 43, 44, 45, 49 (ex PEL 218) have been reduced in size by 50% under the SA relinquishment regulations for retention. The retained leases now cover a total area of 857 km<sup>2</sup>. Icon has an interest of 33% in the post-Permian section of the tenement.

## ICON ENERGY TENEMENTS

Permit / Area	Tenement Area	Permit Interest	Operator	Prospect Type
<b>Cooper - Eromanga Basin</b>				
ATP 594	1,230 km <sup>2</sup>	100%	Icon Energy	Oil Gas
<b>Cooper - Eromanga Basin, Nappamerri Trough</b>				
ATP 855	1,679 km <sup>2</sup>	100%	Icon Energy	Shale Gas, Basin Centred Gas
PRLs –35, 37, 38, 41, 43, 44, 45, 48, 49*	857 km <sup>2</sup>	33.33%	Beach Energy	Oil
<b>Gippsland Basin</b>				
PEP 170	804 km <sup>2</sup>	100%	Icon Energy	Oil Gas
PEP 172**	1,312 km <sup>2</sup>	100%	Icon Energy	Gas
PEP 173**	1,220 km <sup>2</sup>	100%	Icon Energy	Gas

\* Formerly PEL 218 (Post Permian Section)

\*\* Permit to be granted

*Table showing all Icon Energy's tenements*

## TWENTY LARGEST ORDINARY SHAREHOLDERS

1	HK PROSPEROUS TECHNOLOGY LIMITED	80,318,393	13.44
2	BNP PARIBAS NOMINEES PTY LTD <LGT BANK AG DRP>	59,835,516	10.01
3	RAY JAMES	25,038,469	4.19
4	HOWARD LU	16,068,181	2.69
5	MR EDDIE SABA	15,125,378	2.53
6	MR EDDIE SABA <SABA SUPERANNUATION FUND A/C>	12,000,000	2.01
7	CITICORP NOMINEES PTY LIMITED	10,866,438	1.82
8	TAIWAN FRUCTOSE CO LTD	9,000,000	1.51
9	ICON HOLDINGS PTY LTD <THE K J PAGANIN FAMILY A/C>	6,000,000	1.00
10	CABLEX INDUSTRIES PTY LTD	4,991,332	0.84
11	SAMBOR TRADING PTY LTD	4,522,256	0.76
12	MR CHIEN HUA LEE	4,500,000	0.75
13	ALPHA GEM PTY LTD	4,304,581	0.72
14	MR DOUGLAS CAMPBELL TIPPING + MRS NEREIDA MARY TIPPING <DC & NM TIPPING S/F A/C>	3,800,000	0.64
15	MR IANAKI SEMERDZIEV	3,741,000	0.63
16	J P MORGAN NOMINEES AUSTRALIA LIMITED	3,641,768	0.61
17	MOROHI PTY LTD	3,620,058	0.61
18	LINK ORANGE PTY LTD	3,393,181	0.57
19	IAN PETHERBRIDGE RETIREMENT FUND PTY LTD <IAN PETHERBRIDGE R/F A/C>	3,250,000	0.54
20	JOHN E GILL TRADING PTY LTD	3,178,378	0.53
<b>Totals: Top 20 holders of FULLY PAID ORDINARY SHARES (TOTAL)</b>		<b>277,194,929</b>	<b>46.38</b>
<b>Total Remaining Holders Balance</b>		<b>320,412,009</b>	<b>53.62</b>

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**Icon Energy Limited (ASX: ICN)**, is a petroleum exploration Company with a portfolio of acreage in the Cooper-Eromanga and Gippsland Basins in Australia. The Company's exploration strategy focuses on building significant and responsible operations with strategic partners to satisfy energy needs of Australian and overseas based consumers.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Icon Energy Limited

ABN

61 058 454 569

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(227)	(539)
(b) development		
(c) production		
(d) staff costs	(60)	(1,467)
(e) administration and corporate costs	(94)	(1,102)
1.3 Dividends received (see note 3)		
1.4 Interest received	22	102
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (COVID19 gov support)	50	76
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(309)</b>	<b>(2,930)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(3)	(7)
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	9	411
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (Prepayments for exploration and evaluation)	0	(300)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>6</b>	<b>104</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (Payment of lease liabilities)	(32)	(468)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(32)</b>	<b>(468)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,876	8,835
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(309)	(2,930)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	6	104
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(32)	(468)

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,541</b>	<b>5,541</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,541	2,876
5.2	Call deposits	3,000	3,000
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,541</b>	<b>5,876</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	2
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mr Stephen Barry's legal firm namely CKB Associates Lawyers issued invoices to Icon Energy in relation to the preparation of legal documents totalling \$1,980 exclusive of GST.

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 <b>Total financing facilities</b>		
7.5 <b>Unused financing facilities available at quarter end</b>		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(309)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	0
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(309)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,541
8.5 Unused finance facilities available at quarter end (item 7.5)	0
8.6 Total available funding (item 8.4 + item 8.5)	5,541
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	17.9
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

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**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**


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8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2020

Authorised by: Natalia Fraser (CFO and Company Secretary)  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.