

SUMMARY OF ACTION ITEMS

- Icon launches a new program in ATP 855 to clean up the existing wells as they are no longer needed and a “clean slate” is more likely to be attractive to potential joint venturers;
- Reduced cost estimates for the rehabilitation work in ATP 855 will reduce the restoration provision reported in the 2019 Annual Report;
- A contract has been signed with Wellpro Services Pty Ltd for the plugging of the wells – Icon will provide ancillary services;
- Following the rehabilitation of the six wells, a new campaign will be launched to locate a funding partner. With a major gas discovery located in the tenement, a “clean slate” represents a much more attractive opportunity for farmout success;
- A drilling plan to drill the first well in ATP 594 (to be called “Berella No1”) is being drafted so that drilling can take place in late 2020/early 2021;
- June 2020 is the Victorian Government onshore conventional moratorium expiry date. After this date some exploration activities can commence.

FOR THE PERIOD FROM 1ST OCTOBER TO 31ST DECEMBER 2019 :

Icon plans to relocate its office from Broadbeach on the Gold Coast to a new location over the next three months. This move will complete the reconstruction of the Company commenced in September 2019. The new location will remain on the Gold Coast and is still under negotiation.

The petroleum exploration and production industry has been under pressure over the last six months, as prices have declined and demand has weakened. The east coast gas market in Australia remains under short term supply pressures and good market opportunities prevail.

As previously reported, Icon have held discussions with prospective Joint Venturers, but these farmout opportunities have not been successful. We now consider that the prospects of obtaining funding are unlikely to proceed in the current capital markets but will improve if the rehabilitation works in ATP 855 are performed.

The original wells were designed to gather data in an untested basin requiring unconventional stimulation to produce gas. Post drilling and production testing analyses have revealed new information about future well design and specifications.

As a result, the preferred course of action is to rehabilitate the six wells as soon as possible to present a clean slate to potential farminees.

Icon has designed a plan to do this work which is estimated to cost less than the current restoration provision in the 2019 Annual Report. Icon has signed a contract with Wellpro Services Pty Ltd to carry out this work in the second quarter of the 2020 calendar year. The budgeted cost estimates will free up the balance of the provision reported in the 2019 Annual Report for further exploration expenditure and administration.

Following the clean up of ATP 855 a new campaign to farmout the tenement will be launched with a new drilling program and marketing campaign. Our previous discussions have indicated that this is a pre-requisite for a new Joint Venturer in ATP 855.

In the meantime, Icon is planning to drill a well on the best defined prospect in ATP 594 sometime in the last quarter of 2020 or early 2021 subject to funding. This well, to be called “Berella No 1” will be drilled in the northern block on the tenement. Icon will continue to market this tenement.

In Victoria, Icon holds interests in three large onshore tenements in the Gippsland Basin. The onshore drilling Moratorium for conventional wells will expire in June 2020. While the outcome is uncertain, there is considerable pressure for the Victorian Government to find new sources of gas as supplies diminish. Icon supports a focus primarily on gas as a transition energy source while Australia adjusts to climate change. Base load electricity is heavily dependent on fossil fuels at present, the cleanest of which is gas.

PRLs 35, 37, 38, 41, 43, 44, 45, 49 (ex PEL 218) have been reduced in size by 50% under the SA relinquishment clauses of the retention Leases but still covers a total area of 857 km². Icon only has an interest of 33% in post-Permian section of the tenement and the area drilled by Wakefield No 1 has been retained as a promising oil area.

ICON ENERGY TENEMENTS

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

For the names of the twenty largest holders as at 29 January 2019:

Rank	Name	Shares Held	% of Issued Capital
1	HK PROSPEROUS TECHNOLOGY LIMITED	80,318,393	13.44
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	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	12,000,000	2.01
6	CITICORP NOMINEES PTY LIMITED	11,019,888	1.84
7	MR EDDIE SABA <SABA SUPERANNUATION FUND A/C>	9,400,000	1.57
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 IANAKI SEMERDZIEV	3,741,000	0.63
15	J P MORGAN NOMINEES AUSTRALIA LIMITED	3,667,130	0.61
16	BLADES AUSTRALIA PTY LTD	3,650,000	0.61
17	MOROHI PTY LTD	3,620,058	0.61
18	LINK ORANGE PTY LTD	3,393,181	0.57
19	MR DOUGLAS CAMPBELL TIPPING + MRS NEREIDA MARY TIPPING <DC & NM TIPPING S/F A/C>	3,300,000	0.55
20	IAN PETHERBRIDGE RETIREMENT FUND PTY LTD <IAN PETHERBRIDGE R/F A/C>	3,250,000	0.54
Totals: Top 20 holders of FULLY PAID ORDINARY SHARES (TOTAL)		271,619,985	45.45
Total Remaining Holders Balance		325,936,953	54.55

For further information, please contact:

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Director

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Or visit the website www.iconenergy.com

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 and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Icon Energy Limited

ABN

61 058 454 569

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(59)	(162)
(b) development		
(c) production		
(d) staff costs	(308)	(1,259)
(e) administration and corporate costs	(304)	(553)
1.3 Dividends received (see note 3)		
1.4 Interest received	27	65
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (includes GST collected for sale of the office building)	25	26
1.9 Net cash from / (used in) operating activities	(619)	(1,883)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(1)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	258	283
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (Bank Guarantee)		
2.6	Net cash from / (used in) investing activities	257	282

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
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 (payments of lease liabilities)***	(132)	(263)
3.10	Net cash from / (used in) financing activities	(132)	(263)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,465	8,835
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(619)	(1,883)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	257	282
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(132)	(263)
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	6,971	6,971

***In the September quarter, payments of lease liabilities of \$131,000 were included within the Administration and corporate costs under Cash flows from operating activities.

Mining exploration entity and oil and gas exploration entity quarterly report

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	971	65
5.2 Call deposits	6,000	7,400
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,971	7,465

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
121

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
12

Mr Stephen Barry's legal firm namely CKB Associates Lawyers issued invoices to Icon Energy in relation to the preparation of legal documents totalling \$12,192 exclusive of GST.

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	400
9.2 Development	
9.3 Production	
9.4 Staff costs	50
9.5 Administration and corporate costs	386
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	836

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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.

Sign here:
(Company Secretary)

Date: 31 January 2020

Print name: Natalia Fraser

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.