

19 December 2016

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Icon Energy enters a new Executive Services Agreement with the Managing Director Ray James

Icon Energy Limited (ASX: ICN) is pleased to announce that Managing Director Ray James' Executive Services Agreement has been renewed for another three year term, expiring on 31 December 2019.

In accordance with ASX Listing Rule 3.16.4, Icon Energy advises the key terms of Ray James' Executive Services Agreement which are summarised in the following attachment.

Yours Faithfully

A handwritten signature in blue ink, appearing to read "Stephen Barry".

Stephen Barry
Chairman
Icon Energy Limited

Icon Energy Limited
ABN 61 058 454 569

P 07 5554 7111
F 07 5554 7100

PO Box 2004
Broadbeach
QLD 4218
Australia

contact@iconenergy.com

www.iconenergy.com





Summary of key terms of appointment

The key terms of Ray James' employment arrangements are summarised below.

TERM OF EMPLOYMENT

Engagement

The Company shall employ the Managing Director as its Managing Director. The Managing Director shall be responsible for discharging all obligations and duties necessary to perform the duties of a Managing Director, as in each case for and on behalf of the Group in accordance with this Agreement during the Term.

Term

This Agreement will commence on the Operative Date 1 January 2017 and continue for a period of three (3) years unless it is terminated under clause 7.

REMUNERATION PACKAGE

The Managing Director's remuneration package comprises a Base Salary, possible incentive benefits under the Performance Rights Plan, a car allowance and modest fringe benefits including professional association memberships and phone and Internet services.

Base Salary

The Managing Director's Base Salary from the Operative Date shall be \$528,222 per annum plus superannuation. The Base Salary shall be reviewed annually with a minimum increase in the Base Salary of the CPI Index for Brisbane or as agreed by the Board. The Managing Director's remuneration does not otherwise include any provision for overtime payments, rostered days off or other allowances unless specified in writing.

Performance Rights Plan

Variable annual remuneration comprised of:

- short term incentive (STI) may earn up to 50% of fixed annual remuneration;
- long term incentive (STI) may earn up to 50% of fixed annual remuneration.

The Icon Energy Limited Performance Rights Plan ("Plan") was presented and approved by shareholders at the Annual General Meeting held on 22 April 2010, under which the Company is able to grant appropriately structured short and long-term incentives to employees



(including Executive Directors) in addition to their fixed remuneration. The structure of the STI and LTI plans and achievement of predefined STI and LTI targets is reviewed by the Board, and modified where appropriate, on an annual basis. In accordance with ASX listing rule 7.2 Exception 9 the Plan was resubmitted to shareholders for approval and was approved at the 2014 AGM.

TERMINATION

Notice of Termination

The Managing Director's employment may be terminated by:

- The Company giving twelve months written notice to the Managing Director; or
- The Managing Director giving six months' written notice to the Company; or
- Such other period of notice as may be agreed by the parties in writing.

If the Board terminate the Managing Director's employment on notice, the Managing Director may be required to remain in the Company's service for all or part of the notice period; be paid at the Managing Director's Base Salary Package rate in lieu of all or part of the notice period; or be paid at the Managing Director's Base Salary Package rate for the notice period but not required to attend for work during all or part of the notice period. This will be determined by the Board following consultation with the Managing Director.

OTHER PROVISIONS

The agreement contains appropriate restraint provisions as well as other provisions of the type that would be expected in an agreement of this type, including in relation to confidential information and intellectual property, association memberships.