



6 December 2012

Halifax 1 Shale Gas Well Hydraulic Stimulation Update

- Hydraulic Stimulation scheduled to commence mid December 2012
- 15 stimulations across all gas zones between 2,670 and 4,267 metres
- Queensland Government hydraulic stimulation approvals in place
- Over 1,300 metres of gas saturation
- Multiple (7) fracture stimulation in the Patachawarra Formation

Icon Energy Limited (**ASX:ICN**, "Icon") wish to advise that Halifax 1 is scheduled to commence Hydraulic Stimulation in mid December 2012.

The Halifax 1 well was drilled to a total depth of 4,267 metres and on every indicator Halifax 1 has exceeded our expectations and in Icon's view the results from other gas wells drilled in the Nappamerri Trough to date.

- thickest REM formation - 460 metres
- one of the thickest Patchawarra formations - 490 metres
- a gas saturated zone of over 1,300 metres
- gas discovery flowed 0.2MMscf/d (constrained) in Nappamerri Formation
- overpressured sands across the REM and Patachawarra Formations.

Icon Energy and Beach Energy (**ASX:BPT**) the Operator have agreed on the hydraulic stimulation program to be undertaken on Halifax 1.

A 15 stage stimulation of Halifax 1 across multiple zones will be guided by the ongoing stimulation results from the Moonta 1 and Streaky 1 wells in PEL 218 (Beach 100%).

The number of stimulations in Halifax 1 will be as follows:

- 1 stage in each of the Callamurra, Toolachee and Daralingie Formations
- 2 stages in the Roseneath Formation
- 2 stages in the Epsilon Formation
- 1 stage in the Murteree Formation, and
- 7 stages in the Patchawarra Formation

Halifax 1 will be stimulated with a pumping rate capacity of 80bbbls of stimulation fluid per minute potentially increasing fracture complexity and gas flow rates.

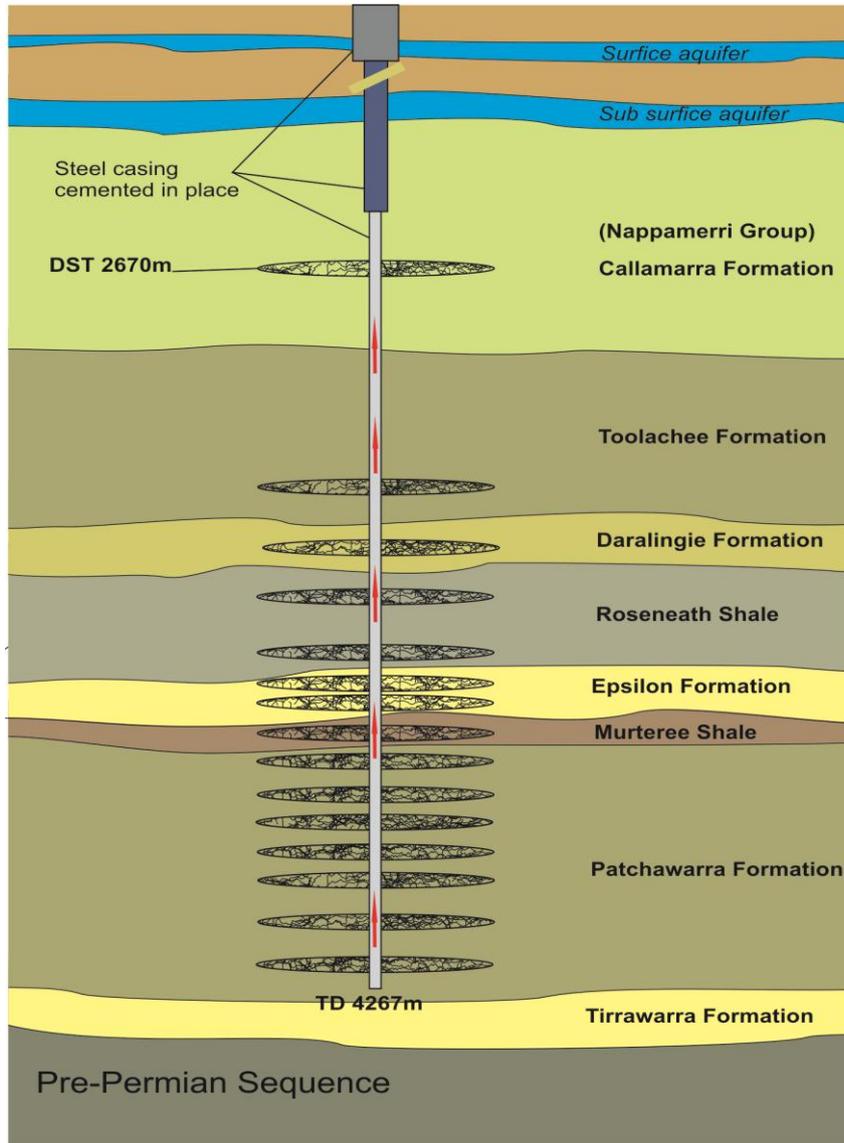
Mr Ray James Managing Director Icon Energy said, "Halifax 1 is scheduled to be stimulated in mid-December and flow tested for several weeks to establish a stable flow rate".

Following the stable flow rate, Halifax 1 will be flow tested for several weeks in early 2013.

Subject to successful flow testing a significant 2C Contingent Resource booking from Halifax 1 is expected to be available in Q1 2013 and Halifax 1 is only 2km from a gas pipeline making early monetisation a real possibility.

Shale Gas has the potential to transform the Australian gas market and provide energy resources for local and international markets for hundreds of years.

Halifax-1



“It’s not a matter of if Shale Gas will be the next gas frontier but when, as each and every unconventional gas well drilled in the Nappamerri Trough derisks the entire basin centered gas play in the Cooper Basin”

Mr James said, “we are now rapidly building an understanding across the Nappamerri Trough of the size of this potentially game changing gas resource. The true potential for unconventional gas is becoming clearer every day and in October we saw Moomba 191 (Santos, Beach, Origin) the first commercial shale gas well go on line”.

The next steps are to expand the drilling program with the design and drilling of further wells in 2013 (subject to JV approval) to further characterise production potential of shale and basin centered gas targets.

Earlier this month we raised the necessary capital to fund the drilling and hydraulic stimulation of a second well and we look forward to working with the operator Beach Energy over the coming years to fully develop this world class unconventional gas asset in the Cooper Basin.

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