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19th March 2010

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

Dear Sir

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Icon Energy Limited will be held on Thursday, 22nd April 2010. The meeting will be held at the Southport Yacht Club, MacArthur Parade, Main Beach, Gold Coast, Queensland commencing at 11:00 am (Queensland time).

A sample of the proxy form is attached for your information.

Yours sincerely



Ray James
Managing Director
Icon Energy Limited
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ICON ENERGY LIMITED ABN 61 058 454 569 NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (“AGM”) of shareholders of Icon Energy Limited (Icon Energy or Company) will be held at the Southport Yacht Club, Macarthur Parade, Main Beach, Queensland 4217 on Thursday, 22 April 2010 commencing at 11:00 am (Queensland time).

A. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors’ Report and the Independent Audit Report of the Company for the financial year ended 31 December 2009.

Unless the Company’s Share Registry has been notified otherwise, shareholders will not be sent a hard copy of the Annual Report. All shareholders can view the Annual Report, which contains the Financial Report for the year ended 31 December 2009 on the website of the Company (www.iconenergy.com), under Investor Information/Annual Reports.

B. QUESTIONS AND COMMENTS

Following the consideration of Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Independent Audit Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Audit Report or the conduct of the audit. A list of written questions, if any, submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

C. ITEMS FOR APPROVAL

1. Remuneration Report

To consider and, if thought fit, to pass the following as an advisory resolution of the Company:

“That, the Company’s Remuneration Report for the financial year ended 31 December 2009 (set out in the Directors’ Report) is adopted.”

2. Election of Dr Raymond McNamara as a Director

To consider and, if thought fit, pass the following Resolution as an ordinary resolution of Icon Energy:

“That Dr Raymond McNamara, who retires in accordance with clause 70 of the Company’s Constitution, and having offered himself for election and being eligible, is hereby elected as a Director of the Company.”

3. Approval of Issues of Shares (Farmin Agreement)

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

“That, for the purpose of ASX Listing Rule 7.1, and for all other purposes, the Directors be authorised to make a placement of fully paid ordinary shares in the capital of the Company up to the value of \$3,500,000 to Beach Energy Limited, on the terms described in the Explanatory Statement accompanying and forming part of this Notice of Meeting”.

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 3 by Beach Energy Limited, any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and their associates.

However, the Company need not disregard a vote if:

- a. it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b. it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. Ratification of Shares Issued (June 2009 Placement)

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“That, for the purpose of ASX Listing Rule 7.4, and for all other purposes, the issue of 16,000,000 fully paid ordinary shares on 5 June 2009, on the terms described in the Explanatory Statement accompanying and forming part of this Notice of Meeting, is approved.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, Icon Energy will disregard any votes cast on Resolution 4 by persons or entities who participated in the institutional placement undertaken in June 2009, and their associates.

However, Icon Energy need not disregard a vote if:

- a. it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b. it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

5. Approval of Non-Executive Directors' Fees

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That, for the purpose of ASX Listing Rule 10.17, and for all other purposes, the maximum aggregate amount payable to Non-Executive Directors by way of Directors' fees be increased by \$500,000 from \$250,000 to \$750,000 per annum."

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 5 by Mr Stephen Barry, Mr Derek Murphy, Dr Keith Hillless, Mr Raymond James, Dr Raymond McNamara, any director appointed to the Board of the Company prior to the AGM and their associates.

However, the Company need not disregard a vote if:

- a. it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b. it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

6. Approval of Icon Energy Limited Performance Rights Plan

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That, for the purpose of Exception 9 of ASX Listing Rule 7.2, and for all other purposes, approval is given for:

- (a) the establishment of the Icon Energy Limited Performance Rights Plan (Plan) as described in the Explanatory Statement accompanying and forming part of this Notice of Meeting; and*
- (b) the grant of performance rights to ordinary fully paid shares and any subsequent issue of ordinary fully paid shares in the Company under the Plan."*

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 6 by Dr Raymond McNamara and Mr Raymond James and their associates who are ineligible to vote on the resolution.

However, the Company need not disregard a vote if:

- a. it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b. it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

7. Approval of Issue of Shares to Dr Ray McNamara

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“That, for the purpose of ASX Listing Rules 10.11, and for all other purposes, approval is hereby given for the issue of 650,507 fully paid ordinary shares in the capital of the Company to a trustee who shall if:

- *Icon Energy Limited achieves a market capitalisation of \$300,000,000 or greater on or before 28 May 2011; and*
- *Dr Raymond McNamara is employed by the Company on the day that the market capitalisation achieves \$300,000,000 or greater;*

forthwith transfer the 650,507 fully paid ordinary shares in the capital of the Company to Dr Raymond McNamara or otherwise hold the shares for the provision of shares under any equity incentive plan, including the Performance Rights Plan to be established pursuant to Resolution 6 and otherwise on the terms described in the Explanatory Statement accompanying and forming part of this Notice of Meeting”.

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 7 by Dr Raymond McNamara and his associates who are ineligible to vote on the resolution.

However, the Company need not disregard a vote if:

- a. it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b. it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

8. Approval of Issue of Shares to Mr Ray James

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“That, for the purpose of ASX Listing Rules 10.11, and for all other purposes, approval is hereby given for the issue of 1,427,012 fully paid ordinary shares in the capital of the Company to a trustee who shall if:

- *Icon Energy Limited achieves a market capitalisation of \$300,000,000 or greater on or before 28 May 2011; and*
- *Mr Raymond James is employed by the Company on the day that the market capitalisation achieves \$300,000,000 or greater;*

forthwith transfer the 1,427,012 fully paid ordinary shares in the capital of the Company to Mr Raymond James or otherwise hold the shares for the provision of shares under any equity incentive plan, including the Performance Rights Plan to be established pursuant to Resolution 6 and otherwise on the terms described in the Explanatory Statement accompanying and forming part of this Notice of Meeting”.

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 8 by Mr Raymond James and his associates who are ineligible to vote on the resolution.

However, the Company need not disregard a vote if:

- a. it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b. it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

A handwritten signature in black ink, appearing to read 'R. McNamara', written in a cursive style.

Dr R McNamara
Director & Company Secretary
12 March 2010

ENTITLEMENT TO ATTEND AND VOTE

In accordance with Reg 7.11.37 of the Corporations Regulations, the Board has determined that persons who are registered holders of shares of Icon Energy as at 6:00pm (Queensland time) on 20 April 2010 will be entitled to attend and vote at the AGM as a Shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

VOTING BY PROXY

If you are a Shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. A proxy need not be a Shareholder of Icon Energy.

If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A Shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the Shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the Shareholder's votes.

To be effective, the proxy must be received at the share registry of Icon Energy no later than 11:00am (Queensland time) on 20 April 2010. Proxies must be received before that time by one of the following methods:

By post: Icon Energy's Share Registry, c/o Computershare Investor Services Pty Limited, shown on the enclosed pre-addressed envelope.

By facsimile:

- o (within Australia) **1800 783 447**
- o (outside Australia) **+61 3 9473 2555**

By delivery: Icon Energy's Share Registry
c/o Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford VIC 3067

Online: At **www.investorvote.com.au** using the secure access information shown on your proxy form.

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Voting by Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by Icon Energy no later than 11:00am (Queensland time) on 20 April 2010 being 48 hours before the AGM.

Corporate Representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as a body corporate's representative.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of shareholders of Icon Energy ("Shareholders") in relation to the business to be conducted at Icon Energy's 2010 Annual General Meeting ("AGM").

The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions. The Directors recommend that Shareholders read this Explanatory Statement before determining whether or not to support the Resolutions.

All of the resolutions to be voted on are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by shareholders entitled to vote on the resolution.

As at the date of this Explanatory Statement, there were 438,845,003 ordinary shares (quoted on ASX) on issue in the capital of Icon Energy.

ORDINARY BUSINESS

Resolution 1: Remuneration Report

Section 250R(2) of the Corporations Act 2001 requires the shareholders to vote on an advisory resolution that the Remuneration Report (the "Report") be adopted.

The Report details the remuneration policy for the Company and reports the remuneration arrangements for Key Management Personnel (identified for the purposes of the Accounting Standards) and other Icon Energy employees. The Report is available from page 25 in the Company's Annual Report. The Report can also be viewed in the "Investor Relations" section of the Company's website (www.iconenergy.com).

The Chairman will give shareholders a reasonable opportunity to ask questions about or make comments on the Report.

The Directors recommend Shareholders vote in favour of this advisory resolution.

Resolution 2: Re-election of Dr Raymond McNamara

Dr Raymond McNamara was initially appointed as a Director of the Company on 27 April 2007. In accordance with clause 70(3) of the Constitution, Dr McNamara being eligible, retires and offers himself for re-election.

Dr McNamara is an Executive Director of Icon Energy also holding the positions of Company Secretary and Chief Financial Officer of the Company.

Dr McNamara is currently an Associate Professor of Accounting at Bond University. He is the director of the School of Business Doctoral Program and is also the director of the Centre for Corporate Governance. He has more than twenty years of experience in the private and public sectors specialising in financial accounting, corporate control systems and security appraisal and valuation.

Dr McNamara is a Certified Public Accountant (CPA), holds a Bachelor of Business from Queensland University of Technology, a Master of Business Administration from the University of Queensland and a Doctor of Philosophy from the University of Queensland.

The Directors, with Dr McNamara abstaining, recommend Shareholders vote in favour of this Resolution.

Resolution 3: Approval of Issues of Shares (Farmin Agreement)

As announced to the ASX on 23 and 26 October 2009, Beach Energy Limited (“Beach Energy”) (then called Beach Petroleum Limited) and Icon Energy signed a farmin letter of agreement in relation to Icon Energy’s ATP 855P tenement (“Farmin Agreement”). The Farmin Agreement involves Icon Energy farming out up to a maximum of half of its 80% interest in ATP 855P, depending on the work completed by Beach Energy, enabling Beach Energy to earn up to a 40% interest in ATP 855P through a work commitment valued by Icon Energy to be up to \$8.5 million commitment.

The Farmin Agreement is subject to the negotiation of the necessary documentation and regulatory approvals. Under the final agreement, Beach Energy will acquire a 25% interest in ATP 855P by contributing 80% of the cost of 400km of seismic reprocessing and the acquisition of 300km of 2D seismic (including processing and interpretation). Beach Energy will be entitled to elect to withdraw from the joint venture and retransfer the interest in ATP 855P following the completion of the seismic interpretation. The remainder of the seismic costs will be borne by the existing 20% interest holders in ATP 855P.

Beach Energy will have the option to earn a further 15% interest in ATP 855P by contributing to Icon Energy’s participating interest share of the drilling costs up to \$7 million.

As part of the Farmin Agreement, Beach Energy will subscribe for \$3,500,000 of Icon Energy securities (“Beach Energy Shares”), the approval of which is the subject of this resolution. The issue price of each Beach Energy Share will be determined using a value weighted average price (“VWAP”) for the 20 trading days up to and including the date of the AGM. Once issued, the Beach Energy Shares will be held on escrow for twelve months from the date of allotment.

Under ASX Listing Rule 7.1, in general terms, a company must obtain shareholder approval to issue or agree to issue more than 15% of its equity securities of the Company held at the beginning of the 12 month period before the date of issue or agreement to issue. Icon Energy does not currently have the capacity to issue the Beach Energy Shares without Shareholder approval.

Legislative Requirements

For the purposes of ASX Listing Rule 7.3, the following information is provided:

- The maximum number of shares the Company will issue will be determined by dividing the value of the shares to be issued (\$3,500,000) by the issue price of the shares.
- The Company will issue and allot the shares within 3 months of the date of the AGM.
- The issue price of the shares will be the 20 day trading VWAP up to and including the date of the AGM (from 24 March 2010 to 22 April 2010 inclusive). The issue price will be at least 80% of the average market price.
- The shares will be allotted to Beach Energy Limited.
- The shares will be fully paid ordinary shares.
- The funds raised under the issue will be applied to the development program costs, field equipment and ongoing management of the Company.
- A Voting Exclusion Statement is set out under Resolution 3 in the Notice of Meeting.

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 4: Ratification of Shares Issued (June 2009 Placement)

In general terms, ASX Listing Rule 7.1 requires a company to obtain shareholder approval to issue more than 15% of its equity securities. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact so that the securities issued are regarded as having been made with approval for the purpose of ASX Listing Rule 7.1.

Resolution 4 is seeking retrospective approval for the issue of 46,000,000 fully paid ordinary shares on 5 June 2009.

The issue of these shares was within the 15% limit permitted by ASX Listing Rule 7.1. Nevertheless, Icon Energy is requesting that Shareholders ratify the issue of the shares the subject of Resolution 4 for the purpose of ASX Listing Rule 7.4, so that Icon Energy will have the flexibility to issue further securities under ASX Listing Rule 7.1 if the need or opportunity arises. The Company's current capacity to issue shares will increase by 46,000,000 shares should this resolution be approved.

Legislative Requirements

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- 46,000,000 shares were issued in total.
- The shares were issued at \$0.30 per share (total funds raised were \$13,800,000).
- The shares were ordinary fully paid shares.
- The shares were issued on 5 June 2009.
- The shares were allotted to investors exempt from disclosure in accordance with section 708 of the Corporations Act following a placement.
- To date the funds raised have been, and will continue to be, applied to the development program costs, field equipment and ongoing management of the Company.
- A Voting Exclusion Statement is set out under Resolution 4 in the Notice of Meeting.

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 5: Approval of Non-Executive Directors' fees

The current maximum aggregate amount which shareholders have approved to be paid as fees to the Non-Executive Directors is \$250,000 per annum. This amount was approved by shareholders on 30 May 1997, prior to the Company listing on the ASX, and no further increase has been sought since that date.

Based on a full complement of 3 Non-Executive Directors the Company is currently at its capacity in terms of total annual fees payable to Non-Executive Directors.

The purpose of the proposed increase is to allow the Board to expand the membership of the Board as and when additional skills and experience are required to assist with the growth and development of the Company. Increasing the maximum amount of Non-Executive Directors' fees payable will also give the Board the ability over the next two to three years to increase Non-Executive Directors' fees in line with market conditions.

Clause 70(1) of the Icon Energy Constitution provides that the remuneration of Non-Executive Directors may not exceed in aggregate in any year the amount determined by shareholders. The Constitution also provides that this amount may be divided among the Non-Executive Directors in the manner and in the proportion determined by the Directors.

Legislative Requirements

ASX Listing Rule 10.17 provides that a listed company must not, without shareholder approval, increase the total amount of non-executive directors' fees. For the purposes of ASX Listing Rule 10.17, the following information is provided:

- The total amount of non-executive directors' fees will increase by \$500,000;
- The total amount of non-executive directors' fees will be \$750,000;
- A Voting Exclusion Statement is set out under Resolution 5 in the Notice of Meeting

Resolution 6: Approval of Icon Energy Limited Performance Rights Plan

Icon Energy Limited Remuneration Philosophy: General

The Board believes that in order to attract and retain talented executives and provide an incentive which continues to align employees with the Company's strategies over varying timeframes, a flexible equity-based plan should be established to allow the Board to grant different types of performance-based awards depending upon the prevailing circumstances and having regard to market practices generally.

To date, the Company has paid its short-term incentives in cash and granted long-term incentives to employees in the form of share options under the Staff Share Incentive Option Plan ("SISOP"). The plan does not now meet the Company's needs and the Board does not intend to offer share options to staff under the SISOP in future

Accordingly, the Board wishes to establish the Icon Energy Limited Performance Rights Plan ("Plan"). Under the Plan, the Company will be able to grant appropriately structured short, medium and long-term incentives to employees (including Executive Directors).

The Board has decided, as a distinct change from the prior SISOP, to grant performance rights for the following reasons:

- the grant of performance rights can reward employees for their performance;
- performance rights create recognisable value to employees, which when granted with transparent and robust performance conditions, containing stretch elements, motivates employees (including executives) and aligns their interests with real Shareholder value creation;
- the grant of performance rights is in accordance with acceptable market practice; and
- the grant of performance rights can have a minimal dilutionary effect on the issued share capital of the Company.

The Plan has been designed so that it is an integral component of the Company's Remuneration Philosophy. Given the Company's stage of development and available cash resources as an exploration entity, generally, the Company proposes to employ the Plan to deliver up to 100% of the total of any short, medium or long-term incentive through Performance Rights but retains the discretion to award part of any vested Performance Rights in cash in accordance with the terms of the Plan. It is the current intention of the Board to pay 30% of the value of vested Performance Rights as cash.

The Company's Remuneration Philosophy has been reviewed and updated in conjunction with independent advisors having specific regard to the Company's current and future perceived key business drivers and is available on the Company's website.

Performance Rights Plan: Overview

A summary of the Plan is set out below. The Plan has been drafted in the light of the current market conditions, the Company's current drivers and proposed taxation legislation amendments.

The Plan will allow the Board to provide short, medium and long-term incentives to employees in the form of performance rights (Performance Rights) which will vest only after the satisfaction of appropriate performance hurdles and tenure conditions.

Typically each grant of Performance Rights will be subject to testing against individual and/or Company performance targets (which may include external performance conditions) ("Performance Conditions") at set dates ("Testing Date"). The Performance Rights will convert to Available Performance Rights in proportion to the achievement of Performance Conditions at the Testing Date. Once converted to Available Performance Rights, Performance Rights will then vest over a period subject to continued employment with Icon Energy in accordance with a set schedule ("Vesting Schedule"). Set out below is an example of Testing Dates, Performance Condition

weighting and Vesting Schedule for long-term incentives that may be offered under the Plan to executive level employees.

Testing Date	Performance Conditions used	Percentage of Initial Grant tested to convert to Available Performance Rights	Vesting Schedule of Available Performance Rights		
			Testing Date + 1 year	Testing Date + 2 years	Testing Date + 3 years
Date of Grant + 1 year	35% individual, 65% Company	100%	33.3%	33.3%	33.3%

The Board intends to use the Plan to offer short-term incentives. Medium-term incentives may also be offered under the Plan. For short-term incentives up to 100% of the initial grant will be tested to convert to Available Performance Rights at the first Testing Date. As with the long-term incentives offered under the Plan, once converted to Available Performance Rights, Performance Rights will then vest over a period subject to continued employment with Icon Energy. The example below uses a one year vesting schedule and is the structure the Board currently intends for short-term incentives. The Board may determine an alternative Vesting Schedule at the time of grant. Set out below is an example of a short-term incentive that may be offered under the Plan to an operational level employee.

Testing Date	Performance Conditions used	Percentage of Initial Grant tested to convert to Available Performance Rights	Vesting Schedule of Available Performance Rights
			Testing Date
Date of Grant + 1 year	100% individual	100%	100%

Medium-term incentives may be provided under the Plan at the discretion of the Board by setting the appropriate Vesting Schedule and Testing Dates at the time of grant.

The Board will determine the Performance Conditions and weighting between individual or external measures by taking into account the Company's strategies and alignment with Shareholder interests. In respect to individual measures, benefits will only delivered under the Plan where a contribution is made by the individual to the performance, prospects or development of the Company.

Key Terms

- The Performance Rights will generally be granted to employees for nil consideration.
- Executive Directors are able to participate in the Plan however no securities (including Performance Rights) may be issued to an Executive Director without shareholder approval for each issue to an Executive Director.
- The Board may vary the Testing Date, Performance Conditions and Vesting Schedule for specific grants.
- Performance Rights will convert to fully paid ordinary shares ("Shares") on a one-for-one basis. Otherwise, the Terms & Conditions permit at the absolute and unfettered discretion of the Board, Available Performance Rights to be cancelled on vesting and a cash amount equal to the prevailing market price of the underlying Shares to be paid to the Participant.
- Performance Rights which do not convert to Available Performance Rights at the Testing Date will lapse, at the Testing Date.

- On the vesting of Available Performance Rights, fully paid ordinary shares may be delivered to Participants through the issue of shares, transfer or on-market acquisitions, at the discretion of the Board.
- Performance Rights (including Available Performance Rights) do not include an entitlement, unless determined otherwise by the Board, to participate in new issues of shares, dividends, bonus issues or any other pro-rata issue to Icon Energy Shareholders.
- In the event of any reconstruction of the share capital of Icon Energy (including consolidation, subdivision, reduction, capital return, buy back or cancellation), the terms of the Performance Rights and the entitlements of Participants will be reconstructed accordingly in a manner that does not result in additional benefits being conferred on Participants that are not conferred on Icon Energy Shareholders. However, in all other respects, the terms for the conversion of vested Performance Rights will remain unchanged.
- In the event of a change of control (where as determined by the Board, an entity assumes a relevant interest (voting power) equal to 50% or more in the share capital of Icon Energy), Performance Rights may be converted to shares regardless of whether or not the performance and vesting conditions have been met. Available Performance Rights will vest on a change of control.
- Vesting of any Performance Rights, for the purposes of a qualifying reason (such as death, total and permanent disability, redundancy and retirement as determined by the Board) will be at the absolute discretion of the Board and may be converted to shares regardless of whether or not the performance and vesting conditions have been met. Available Performance Rights will vest on the occurrence of a qualifying reason.
- On conversion to Shares, Participants holding Shares will have the same rights as ordinary shareholders and shares allocated under the Plan will be quoted on the ASX. The Company will not seek official quotation on the ASX of any Performance Rights.
- No security interests (such as charges or mortgages) can be held against any Performance Rights.
- The quantum of awards granted to each employee under the Plan will be determined taking into account the employee's role, seniority and contribution to the Company, consistent with the Company's Remuneration Philosophy.
- Each issue of Performance Rights is personal to the issue and may not be transferred to a nominee of the Participant.
- The maximum number of Performance Rights that may be granted at any time is the equivalent of 5% of the issued capital of the Company when combined with the Performance Rights (including Available Performance Rights) on issue at the time of the proposed grant.

Commencement of the Plan

Following Shareholder approval it is anticipated that the Company will offer employees awards under the Plan in line with the Company's annual remuneration and employee performance review timeline. The first award under the Plan will be for performance in the period 1 July 2009 to 30 June 2010.

In addition, the Board has approved an additional employee share plan that has awarded shares to the Company's employees (excluding Director's) for their performance for the period 1 July 2008 to 30 June 2009 ("Employee Share Plan"). Shareholder approval is not sought in relation to the Employee Share Plan or the shares issued under it as the Employee Share Plan will be made

redundant by the Performance Rights Plan, the subject of this resolution. All shares issued under the Employee Share Plan will reduce the Company's capacity to issue shares under ASX Listing Rule 7.1.

Legislative Requirements

Section 260C(4) of the Corporations Act, which applies to the Company, permits the Company to provide financial assistance to persons for the purpose of acquiring shares in the Company under an employee share scheme provided shareholder approval is obtained. Approval under this resolution will satisfy approval for the purposes of section 260C(4) of the Corporations Act.

Under Exception 9 of ASX Listing Rule 7.2, an issue of securities under an employee incentive scheme is an exception to Listing Rule 7.1 (which contains the restrictions relating to issues exceeding 15% of the issued capital of a listed company in the 12 months before the date of issue) if, within three years before the date of the issue, shareholders have approved the issue of shares as an exception to Listing Rule 7.1.

If approved, any Performance Rights issued under the Plan in the three years following the AGM will not reduce the Company's ASX Listing Rule 7.1 capacity. Further, in accordance with ASX Listing Rule 7.2 (Exception 4), any shares issued as a result of the exercise of the Performance Rights, where the Performance Rights were issued in that three year period, will not reduce the Company's capacity under ASX Listing Rule 7.1.

ASX Listing Rule 10.14 requires shareholder approval of any issue of shares to a related party to the Company (such as a Director). This Resolution is not seeking the approval of any issue of Performance Rights under the Plan to a related party to the Company (such as a Director).

No securities have been issued under the Plan to date.

A Voting Exclusion Statement is set out under the Resolution in the Notice of Meeting.

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Resolutions 7 – 8: Issue of Shares to Icon Energy Executive Directors

Resolutions 7 & 8 seek Shareholder approval to issue fully paid ordinary shares in the Company to the Company's Executive Directors (Dr Ray McNamara and Mr Ray James) as part-payment of a short-term cash bonus in recognition of their individual performance and their significant contribution to Company's performance over the last 24 months. Following Shareholder approval, the shares will be held on trust for the benefit of the Executive Directors. The shares will be transferred to Dr Ray McNamara and Mr Ray James on satisfaction of the vesting conditions described below. If the vesting conditions are not met by 28 May 2011, the beneficial interest in the shares will be automatically forfeited by the Executive Directors.

Icon Energy Remuneration Philosophy

During October 2008, Icon Energy formalised a Remuneration Philosophy in conjunction with independent advisors having specific regard to Icon Energy's current and future perceived key business drivers. The Company's Remuneration Philosophy was amended and updated in November 2009. The Remuneration Philosophy recognises that a STI is payable to Management by Icon Energy via a combination of cash and equity reflecting the achievement of a number of short term goals established on an annual basis.

The *target* total reward mix (outlined in the table below) has been set following an independent review of Icon Energy's remuneration arrangements, which have been set by reference to Icon Energy's aspirational category of ASX listed entities with a market capitalisation of \$300 million+.

	Fixed	At-Risk	
	FR (fixed remuneration)	STI % of FR	LTI % of FR
Managing Director (<i>Ray James</i>)	100	50	50
Executive (<i>incl. Ray McNamara</i>)	100	40	40

How was the number of Bonus Shares determined?

At its March 2010 Meeting, the Board (consisting of the non-interested Non-Executive Directors) approved, the issue of Bonus Shares to Ray James and Ray McNamara in respect of performance against the achievement of corporate and personal key performance indicators subject to the conditions detailed below.

The discretionary bonuses set out below have regard to the proposed equity bonus for FY2008 and the FY2009 as recommended by the Company's Remuneration Committee subject to the significant hurdle of a \$300 million market capitalisation.

In making the award the Board considered the performance of Icon Energy for FY2008 and FY2009. Highlights achieved by Icon Energy during FY2008 and FY2009 included:

- Stanwell Corporation executed a farmin agreement, joint venture operating agreement and gas sale agreement with Icon Energy.
- Icon has a certified estimate of Gas Initially In Place (GIIP) within ATP 626P of 6,115PJ. Certified Recoverable Contingent Resource figures are 1,775 PJ (3C) and 1,115PJ (2C). Within the Lydia Farmin block Icon has Certified Contingent Recourse figures of 775PJ (3C) and 357PJ (2C).
- Attainment of inclusion in the ASX/S&P 300 list.

In order to determine the total number of shares to be issued for each year, the discretionary bonus was divided by the trading days' volume weighted average share price of all Icon Energy shares as traded on the ASX for the month of June 2008 and June 2009 respectively (2008 VWAP and 2009 VWAP). The 2008 VWAP has been calculated at \$0.33303 and the 2009 VWAP has been calculated to \$0.327882.

	Short term Bonus : Share component (No. of Shares)	Long term Bonus : Share component (No. of Shares)	Total Number of Shares proposed to be issued	Total Cash Equivalent (\$)
<i>Mr Ray James, Managing Director</i>				
2008	918,850	-	-	306,000
2009	243,640	264,523	-	166,617
Total	1,162,489	264,523	1,427,012	472,617
<i>Dr Ray McNamara, Chief Financial Officer and Company Secretary</i>				
2008	315,292	-	-	105,000
2009	160,720	174,496	-	109,911
Total	476,011	174,496	650,507	214,911

Why has the Board proposed to pay the Discretionary Bonus in shares?

The Board believes that the issue of the shares to Executive Directors not only rewards these individuals for their past performance, but continues to act as an incentive so as to align their interests with those of Shareholders of Icon Energy.

The Board's recommends the Discretionary Bonus because:

- Icon Energy's cash flow constraints limiting the ability to seek increases to fixed salaries;

- the small size of the Icon Energy Management team. The small size requires the Executives to take on additional responsibilities within the Company and ensures the overall cost of salaries paid from a cash perspective for the Company's Management is minimised;
- the efforts and commitment of current Executives to enable and maintain the rapid growth and expansion of the Company and its share price for the benefit of its Shareholders;
- the importance of retaining and incentivising the current key Executives to add further value to the Company.

The granting of Shares, together with the current incentives used, is seen by the Board to be appropriate "at risk" remuneration for the Executive Directors at present and is in line with the Company's current remuneration philosophy.

Conditions attaching to the proposed issue of shares

Award	Vesting Conditions
<i>Dr Ray McNamara, Chief Financial Officer & Company Secretary (Resolution 7)</i>	
<p>Subject to Shareholder approval at the Company's 2010 Annual General Meeting, 650,507 fully paid ordinary shares to be issued upon achievement of Vesting Conditions.</p>	<ul style="list-style-type: none"> • Icon Energy achieving a market capitalisation of \$300,000,000 or greater on or before 28 May 2011. • Employed by the Company on the day that the market capitalisation achieves \$300,000,000 or greater.
<i>Mr Ray James, Managing Director (Resolution 8)</i>	
<p>Subject to Shareholder approval at the Company's 2010 Annual General Meeting, 1,427,012 fully paid ordinary shares to be issued upon achievement of Vesting Conditions.</p>	<ul style="list-style-type: none"> • Icon Energy achieving a market capitalisation of \$300,000,000 or greater on or before 28 May 2011. • Employed by the Company on the day that the market capitalisation achieves \$300,000,000 or greater.

The shares are ordinary fully paid shares which are to be issued for nil consideration. The shares to be issued will be held on trust until the earlier of 28 May 2011 or such time as the vesting conditions described above ("Vesting Conditions") are satisfied. Should the Vesting Conditions be satisfied prior to 28 May 2011 the shares will be transferred to the Executive Directors.

In the event that the Vesting Conditions are not met prior to 5.00 pm (Queensland time) on 28 May 2011 the shares will be forfeited. At that time the beneficial interest in the shares will be automatically forfeited by the Executive Directors and the shares will be retained by the Trustee as a part of a pool of shares held by the Trustee for the benefit of Icon Energy employees. The Shares will be held by the Trustee as a part of a pool of shares to satisfy the Company obligations under any of the Company's future equity incentive plans, including the Performance Rights Plan.

Any income or capital distributions on the Shares prior to the satisfaction of the Vesting Conditions will be retained by the Trust for the benefit of Icon Energy employees.

The Vesting Conditions, as determined by the Board, are identical for both of the Executive Directors. The target market capitalisation of \$300,000,000 has been chosen by the Board as it is a published target forming part of the strategy of the Company. At the 2008 Annual General Meeting the Chairman of the Company outlined the Company's strategy, with its revised the target market capitalisation of \$100,000,000 within the three months and \$300,000,000 within eighteen months. The Board revised the Company's strategy, including the market capitalisation target, in late 2008 in the light of the economic downturn and the uncertain impact on the Company.

The current market capitalisation of the Company (as at 4 March 2010) is \$103 million. The Board believes that the target of a market capitalisation of \$300,000,000 or more is still aspirational and as such is a significant hurdle for the Company and Executive Directors.

The Executive Directors will not be entitled to any income or capital distributions on the Shares until the satisfaction of the Vesting Conditions.

Legislative Requirements in relation to Resolutions 7 & 8

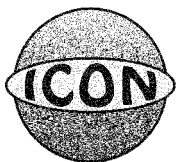
For the purposes of section 211(1) of the Corporations Act, the Board (with Dr McNamara and Mr James abstaining) has resolved that the issue of the shares is reasonable remuneration to the Directors based on:

- Icon Energy's performance during FY2008 and FY2009;
- the responsibilities of Management;
- an independent review of Icon Energy's remuneration arrangements, having regard to both the quantum of STI and LTI payable and the delivery of the STI via a mix of cash and equity and LTI via equity; and
- the performance and vesting conditions attaching to the securities.

Pursuant to the requirements of ASX Listing Rule 10.11 and 10.13 the following information is provided with regard to Resolutions 7 & 8 respectively:

- The shares will be issued to a trustee for the benefit of Dr Raymond McNamara and Mr Raymond James.
- The maximum number of securities that may be issued to Dr McNamara is 650,507 fully paid ordinary shares. The maximum number of securities that may be issued to Mr James will be issued is 1,427,012 fully paid ordinary shares.
- The shares will be issued to a trustee within 1 month of the AGM (by 22 May 2010).
- Dr McNamara and Mr James are both directors of the Company.
- 843,378 shares will be issued at \$0.32788 per share and 1,234,142 shares will be issued at \$0.33303 per share.
- A Voting Exclusion Statement is set out under each resolution.
- The shares will be issued for nil financial consideration, as part of each Executive's remuneration for the 12 month period ending 31 December 2009, as a bonus for their performance in FY2008 and FY2009. As such, no funds will be raised from this issue.

The Directors, with Dr McNamara abstaining, recommend Shareholders vote in favour of Resolution 7. The Directors, with Mr James abstaining, recommend Shareholders vote in favour of Resolution 8.



ICON ENERGY LIMITED

ABN 61 058 454 569

energy for the future - the future of energy

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Lodge your vote:



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Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 11:00 am (Queensland time) Tuesday 20th April 2010

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Icon Energy Limited hereby appoint

the Chairman of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Icon Energy Limited to be held at Southport Yacht Club, Macarthur Parade, Main Beach, Queensland on Thursday, 22nd April 2010 commencing at 11:00 am (Queensland time) and at any adjournment of that Meeting.

Important for Items 5 and 6: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Items 5 and 6 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 5 and 6 and your votes will not be counted in computing the required majority if a poll is called on these Items. The Chairman of the Meeting intends to vote undirected proxies in favour of Items 5 and 6 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of these Items and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Dr Raymond McNamara as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Issues of Shares (Farmin Agreement)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Shares Issued (June 2009 Placement)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of Non-Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of Icon Energy Limited Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of Issue of Shares to Dr Ray McNamara	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval of Issue of Shares to Mr Ray James	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____

ICN

220410A

Computershare +



ICON ENERGY LIMITED

ABN 61 058 454 569

energy for the future - the future of energy

4 Miami Key
BROADBEACH WATERS
QLD, AUSTRALIA, 4218

000001 000 ICN
MR SAM SAMPLE
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THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with matters arising from your securityholding in Icon Energy Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than a Notice of Meeting.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Security Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely,

Dr Raymond McNamara
Company Secretary