

24 February 2015

ASX Company Announcements Office

FINANCIAL STATEMENTS & REPORTS FOR 6 MONTHS TO 31 DECEMBER 2014

Please find attached Icon Energy Ltd Financial Statements and Reports for the 6 months to 31 December 2014.

A handwritten signature in black ink, appearing to read "Ross Mallett".

Ross Mallett
Company Secretary
Icon Energy Limited

Icon Energy Limited
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ICON ENERGY LIMITED and its Controlled Entities

Icon Energy Limited

ABN 61 058 454 569

INTERIM FINANCIAL REPORT

For the half-year ended
31 December 2014

Icon Energy Limited

ABN 61 058 454 569

INTERIM FINANCIAL REPORT

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Directors' Report

The Directors of Icon Energy Limited (**Icon Energy** or **Company**) present their report together with the financial statements of the Company and its controlled entities (**the Group** or **the Consolidated Entity**) for the half-year ended 31 December 2014 and the Independent Auditor's Review Report thereon.

Principal Activities

The principal activities of Icon Energy during the year included the exploration, appraisal and development of oil and gas properties. There were no significant changes in the nature of these activities during the half year.

Directors

The Directors of the Company who held office during or since the end of the half-year are set out below:

Name	Position	First Appointed
Stephen Michael Barry	Non-executive Chairman	Director since 05/01/1993
Derek James Murtagh Murphy	Non-executive Director	Director since 20/03/2009
Dr Keith Hillless AM	Non-executive Director	Director since 03/04/2009
Howard Lu	Non-executive Director	Director since 07/01/2011
Raymond Swinburn James	Managing Director	Director since 01/02/1993
Dr Kevin Jih	Chief Financial Officer & Executive Director	Director since 30/11/2011

Dividends Paid or Recommended

The Directors recommend that no dividend be paid by the Company. No dividends have been declared or paid by the Company since the end of the previous financial year (30 June 2014: \$NIL).

Review of Operations and Results

Icon has continued to evaluate its exploration tenements during the half-year ended 31 December 2014 with particular focus on ATP 855.

Queensland – Petroleum Exploration – Cooper Basin – ATP 855

All wells drilled within ATP 855 to date, Halifax-1, Hervey-1, Keppel-1, Redland-1 ETTY-1 and Geoffrey-1, have confirmed the continuation of the Basin-Centred Gas play in the Nappamerri Trough, with ATP 855 containing the deepest sections of the Trough. Notices of Petroleum Discovery have been lodged with the Department of Natural Resources and Mines (*DNRM*) for all of the six wells drilled.

The 2014 multi-well stimulation campaign in ATP 855 commenced in September 2014. Key target reservoirs in Hervey-1, ETTY-1, Redland-1 and Geoffrey-1 were stimulated and flow tested.

The program commenced at Hervey-1 on 15 September 2014 with the hydraulic stimulation of five zones: one in the Patchawarra Formation; one in the Daralingie Formation; and three in the Toolachee Formation. The well was opened to flow on 22 October 2014 at 0.4MMscf/d and 50psi wellhead pressure through a 22/64" choke. The extended flow test was completed on 28 November 2014 after the flow rate had reduced to 0.2MMscf/d through a 40/64" choke and wellhead pressure of 27psi, and the well was shut in on pressure build up. Results from Hervey-1 to date support the working hypothesis that these shallower zones are not as over-pressured in this south easterly part of ATP 855. The gas component parts for Hervey-1 were estimated at approximately 69% methane and 31% CO₂.

The fracture stimulation program at ETTY-1 commenced on 11 October 2014 with one zone in the Daralingie Formation and three zones in the Toolachee Formation. ETTY-1 was subsequently put on extended flow test for 77 days flowing between 900,000 and 700,000 cubic feet per day and has demonstrated excellent flow characteristics with better than forecast decline rates. Total flow during this period was 57 million standard cubic feet of gas with an approximate methane content of 70% and CO₂ content of 30%. Test results confirmed that at least 93% of the gas flow was being produced from the single interval stimulation in the Daralingie Formation. This new play has earmarked ETTY-1 as a priority target for further appraisal (subject to Joint Venture approval). ETTY-1 was shut in on 15 January 2015 on pressure build up.

The fracture stimulation at Redland-1 commenced on 28 October 2014 with three zones targeted in the Toolachee Formation. However, a mechanical issue in the Redland-1 wellbore has prevented the Joint Venture from assessing the deliverability of these zones. The well has now been shut in.

The fracture stimulation program at Geoffrey-1 commenced on 12 November 2014, with four zones in the Patchawarra Formation and one zone in the Epsilon Formation. Extended flow testing began on 7 December 2014 with Geoffrey-1 reaching a peak flow rate of 1.1MMscf/d of gas via a 12/64" choke and a wellhead pressure of 3,058psi. Gas analysis indicates an approximate methane content of 75% and CO₂ content of 25%. Subsequent to the end of the half year, on 16 January 2015, Geoffrey-1 well was re-opened after being shut in for six days due to a wet weather event in the Cooper Basin.

The Joint Venture has been focussing primarily on obtaining diagnostic results from the stimulation and testing programme aimed at achieving acceptable gas flow rates and decline curves within specific formations.

Once the production potential of the formations is ascertained within the tenement then the Joint Venture will focus on the "sweet spots" where commercial viability may ultimately be determined.

Queensland – Cooper/Eromanga Basin - Petroleum Exploration – ATP 594

In 2014 Icon Energy acquired the outstanding 50% interest in the ATP 594 tenement which will enable Icon to work in the permit once the Company completes a Right to Negotiate Agreement (*RTN*) with the Boonthamurra Registered applicants. Icon is currently reviewing the available exploration data and in late December 2014 commenced an independent technical evaluation of the prospectivity of the permit.

Once necessary approvals are in place and the data evaluation is complete, Icon is proposing to develop an exploration program for ATP 594.

Queensland – Surat Basin - Petroleum Exploration – ATP 626

Following a strategic review of ATP 626, Icon relinquished 20 sub-blocks or two-thirds of ATP 626 in the southern portion of the tenement and lodged a Partial Relinquishment Report with DNRM on 27 June 2014. In October 2014 Icon completed a rehabilitation program of old Joint Venture wells that would not be utilized in the future of the permit. The remaining wells in the tenement, Eolus-1, Mindagabie-1 and Stitch-1, are currently suspended.

Icon is conducting a technical review of the remaining prospectivity of the permit with the aim of conducting a conventional work program in the retained blocks within ATP 626.

Victoria – Petroleum Exploration – PEP 170

On 24 August 2012 the Victorian Government declared a moratorium on fracture stimulation of unconventional gas wells in Victoria. As at the end of the reporting period the Victorian Government had not lifted the moratorium. Icon has deferred its work program in Victoria until the suspension has been lifted.

Basin / Area	Permit / Area	Tenement Area	Permit Interest	Operator	Prospect Type
Cooper Basin, Nappamerri Trough	ATP 855	1,674 km ²	35.1%	Beach Energy	Shale Gas, Oil
Cooper Basin Nappamerri Trough	PRLs 33- 49*	1,602 km ²	33.33%	Beach Energy	Oil
Cooper - Eromanga Basin	ATP 594	1,538 km ²	100%	Icon Energy	Natural Gas, Oil
Cooper - Eromanga Basin	ATP 549 West	445 km ²	33.33%	Drillsearch	Natural Gas, Oil
Cooper - Eromanga Basin	ATP 794				
	- Regleigh Block	674 km ²	60%	Icon Energy	Oil
	- Springfield Block	1,505 km ²	60%	Icon Energy	Oil
Gippsland Basin	PEP 170	808 km ²	100%	Icon Energy	Natural Gas, Oil
Gippsland Basin	PEP 172**	1,312 km ² **	100%	Icon Energy	Natural Gas
Gippsland Basin	PEP 173**	1,220 km ² **	100%	Icon Energy	Natural Gas
Surat Basin	ATP 626P	741 km ²	100%	Icon Energy	Shale Gas, Oil

* Formerly PEL 218 (Post Permian Section) ** Permit to be granted

Financial position

The cash balance as at 31 December 2014 was \$20.97 million (including term deposit of \$18 million).

Significant Changes in the State of Affairs

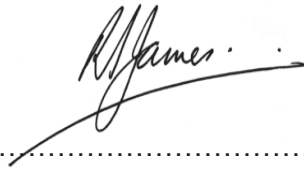
There were no significant changes in the state of affairs of the consolidated entity during the half-year ended 31 December 2014.

Auditor's Declaration

The lead Auditor's Independence Declaration under Section 307C of the *Corporations Act* 2001 is set out on page 8 for the half-year ended 31 December 2014.

This report is signed in accordance with a resolution of the Board of Directors.

Director



.....
Ray James
Managing Director

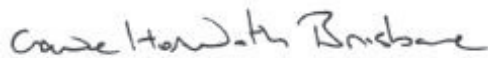
Dated this 24th day of February 2015
Broadbeach Waters, Queensland

Auditor's Independence Declaration

As lead auditor for the review of Icon Energy Limited for the half year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Icon Energy and the entities it controlled during the period.



CROWE HORWATH BRISBANE



BRENDAN WORRALL
Partner

Signed at Brisbane, 24 February 2015

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
 AND OTHER COMPREHENSIVE INCOME**
 for the half-year ended 31 December 2014

	NOTE	Half-year ended	
		31 December 2014	31 December 2013
		\$	\$
Revenue		-	-
Less: Cost of sales		-	-
Gross Profit/(Loss)		-	-
Other income	2	340,612	555,203
Administration expenses		(1,499,023)	(1,328,276)
Depreciation and amortisation expenses		(153,890)	(100,304)
Employee benefits and expenses		(1,831,269)	(1,797,389)
Occupancy expenses		(20,101)	(18,752)
Impairment of exploration expenditure		-	(92,291)
Loss on disposal of non-current assets		(9,657)	(33,753)
Finance costs		(15,926)	(39,380)
Loss before income tax		(3,189,254)	(2,854,942)
Income tax benefit	3	11,376,221	-
Profit/(Loss) for the period		8,186,967	(2,854,942)
Other comprehensive income			
Items that may be reclassified to profit and loss			
Exchange differences arising on translation of foreign operations, net of income tax		2,109	569
Other comprehensive income for the period		2,109	569
Total comprehensive income/(loss) for the period		8,189,076	(2,854,373)
Profit/(Loss) attributable to:			
Owners of the parent entity		8,186,967	(2,854,942)
Non-Controlling interests		-	-
Profit/(Loss) for the period		8,186,967	(2,854,942)
Total comprehensive income/(loss) attributable to:			
Owners of the parent entity		8,189,076	(2,854,373)
Non-controlling interests		-	-
Total comprehensive income/(loss) for the period		8,189,076	(2,854,373)
Earnings/(Loss) per share			
Basic earnings/(Loss) per share (cents per share)		1.33	(0.52)
Diluted earnings/(Loss) per share (cents per share)		1.31	(0.52)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2014

	NOTE	31 December 2014 \$	30 June 2014 \$
CURRENT ASSETS			
Cash and cash equivalents		2,977,490	7,605,461
Trade and other receivables	5	1,016,338	9,080,045
Term deposits		18,000,000	12,000,000
TOTAL CURRENT ASSETS		21,993,828	28,685,506
NON-CURRENT ASSETS			
Property, plant, and equipment		5,228,146	5,234,606
Financial assets		1	1
Exploration and evaluation expenditure	7	51,554,262	37,253,075
Other non-current assets	8	199,361	198,877
TOTAL NON-CURRENT ASSETS		56,981,770	42,686,559
TOTAL ASSETS		78,975,598	71,372,065
CURRENT LIABILITIES			
Trade and other payables	9	427,794	1,471,170
Employee benefits		526,575	533,387
TOTAL CURRENT LIABILITIES		954,369	2,004,557
NON-CURRENT LIABILITIES			
Employee benefits		118,878	116,340
Provisions		1,494,189	1,570,110
TOTAL NON-CURRENT LIABILITIES		1,613,067	1,686,450
TOTAL LIABILITIES		2,567,436	3,691,007
NET ASSETS		76,408,162	67,681,058
EQUITY			
Issued capital	10	103,107,580	102,724,971
Reserves	11	(1,206,606)	(1,364,134)
Accumulated losses		(25,492,812)	(33,679,779)
TOTAL EQUITY		76,408,162	67,681,058

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half-year ended 31 December 2014

CONSOLIDATED ENTITY	Ordinary Share Capital	Share-Based Payments Reserve (Note 11)	Foreign Exchange Reserve (Note 11)	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance 1 July 2013	83,842,452	646,222	(2,241,465)	(35,257,369)	46,989,840
Total comprehensive income:					
Loss for the period	-	-		(2,854,942)	(2,854,942)
Other Comprehensive Income	-		569	-	569
Total Comprehensive Income/(loss) for the period	-	-	569	(2,854,942)	(2,854,373)
Transactions with owners in their capacity as owners:					
Shares issued	18,874,841	-	-	-	18,874,841
Reserve transfer for performance rights vested	474,874	(474,874)	-	-	-
Share issue costs	(467,196)	-	-	-	(467,196)
Performance rights granted	-	486,586	-	-	486,586
Total transactions with owners	18,882,519	11,712	-	-	18,894,231
Balance at 31 December 2013 - attributable to owners of parent entity	102,724,971	657,934	(2,240,896)	(38,112,311)	63,029,699
Balance 1 July 2014	102,724,971	877,588	(2,241,722)	(33,679,779)	67,681,058
Total comprehensive income:					
Profit for the period	-	-		8,186,967	8,186,967
Other Comprehensive Income	-		2,109	-	2,109
Total Comprehensive Income/(loss) for the period	-	-	2,109	8,186,967	8,189,076
Transactions with owners in their capacity as owners:					
Shares issued	-	-	-	-	-
Reserve transfer for performance rights vested	382,609	(412,041)	-	-	(29,432)
Share issue costs	-	-	-	-	-
Performance rights granted	-	567,461	-	-	567,461
Total transactions with owners	382,609	155,419	-	-	538,028
Balance at 31 December 2014 - attributable to owners of parent entity	103,107,580	1,033,007	(2,239,613)	(25,492,812)	76,408,162

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the half-year ended 31 December 2014

	NOTE	Half-year ended	
		31 December 2014	31 December 2013
		\$	\$
		Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		7,957	9,025
Cash payments to suppliers and employees		(3,952,031)	(3,176,046)
Interest received		566,504	412,202
Finance costs		-	(26,337)
Income tax benefit	3	18,868,578	-
Net Cash used in operating activities		15,491,008	(2,781,156)
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Investment in financial assets		(6,000,000)	(16,000,000)
Payments for property, plant & equipment		(92,796)	(8,251)
Payments for evaluation and exploration expenditure		(14,358,688)	(10,232,671)
Prepayments for deferred exploration and evaluation expenditure		332,505	-
Proceeds from sale of non current assets		-	38,500
Proceeds from JV Contributions		-	423,594
Net Cash from/(used in) investment activities		(20,118,979)	(25,778,828)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	18,874,823
Share Issue Costs		-	(467,196)
Repayment of borrowings		-	(3,429,500)
Net cash from finance activities		-	14,978,127
Net increase/(decrease) in cash and cash equivalents held		(4,627,971)	(13,581,857)
Cash and cash equivalents at beginning of the financial period		7,605,461	21,840,575
Cash and cash equivalents at the end of the financial period		2,977,490	8,258,718

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the half-year ended 31 December 2014

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

The half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: *Interim Financial Reporting*, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The half-year financial statements do not include full disclosures of the type normally included in annual financial statements.

It is recommended that these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2014 and any public announcements made by Icon Energy Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The financial statements were authorised for issue by the directors on the 24 February 2015.

The accounting policies and methods of computation have been consistently applied and are consistent with those in the 30 June 2014 financial report, except for the following new accounting standards that have become effective for the current reporting period commencing 1 July 2014:

- (i) AASB 2012-3 *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities*; and
- (ii) AASB 2013-3 *Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets*.

These standards have introduced new disclosures for the interim report but did not affect the entity's accounting policies or any of the amounts recognised in the financial statements.

Basis of preparation

The half-year financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. All amounts are presented in Australian dollars, unless otherwise noted.

NOTE 2 - REVENUE

	31 December 2014	31 December 2013
	\$	\$
OTHER INCOME		
Administration fees	-	-
Interest received		
- Financial Institutions	332,655	546,178
Other Income	7,957	9,025
	340,612	555,203
TOTAL REVENUE	340,612	555,203

NOTE 3 - SIGNIFICANT TRANSACTIONS

	31 December 2014	31 December 2013
	\$	\$
Income tax benefit - R&D claim	11,376,221	-
	11,376,221	-

NOTE 4 - DIVIDENDS

No dividends have been declared or paid since the end of the reporting period (2014: \$NIL).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the half-year ended 31 December 2014

NOTE 5 - TRADE AND OTHER RECEIVABLES

	31 December 2014	30 June 2014
	\$	\$
CURRENT		
Prepayments for deferred exploration and evaluation expenditure	865,415	1,197,920
Research and development offset refund	-	7,492,356
Other receivables	150,923	389,769
	1,016,338	9,080,045

Trade and other receivables are not past due and are not impaired at 31 December 2014. All amounts are expected to be received in less than 12 months.

NOTE 6 - FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The entity also has a number of financial instruments which are not measured at fair value in the statement of financial position. For these instruments, the fair values are not materially different to their carrying amounts.

Due to their short-term nature, the carrying amounts of the current receivables and current payables is assumed to approximate their fair value.

NOTE 7 - EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2014	30 June 2014
	\$	\$
Exploration and Evaluation Expenditure at cost	37,253,075	12,576,227
Additions	14,301,187	25,192,539
Less: Impairment	-	(92,097)
Less: Joint Venture Contributions Applied	-	(423,594)
	51,554,262	37,253,075

Exploration and evaluation expenditure incurred is carried forward for each area of interest. This expenditure is only carried forward if it is expected to be recovered through the successful development of the area or where the activities in the area of interest have not reached a stage which permits a reasonable assessment of economically recoverable reserves and operations in the area of interest are continuing. In assessing the recoverability of exploration and evaluation expenditure in the financial report, the directors have considered the impacts of relationships with joint venture operators, future funding arrangements and planned future expenditure in relation to mining leases held.

NOTE 8 - OTHER NON-CURRENT ASSETS

	31 December 2014	30 June 2014
	\$	\$
Performance guarantee bonds	199,361	198,877
	199,361	198,877

NOTE 9 - TRADE AND OTHER PAYABLES

	31 December 2014	30 June 2014
	\$	\$
CURRENT		
Payables and accruals to a joint operations partner	-	46,151
Trade and sundry payables	427,794	1,425,019
	427,794	1,471,170

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the half-year ended 31 December 2014

NOTE 10 - ISSUED CAPITAL

Share Capital

Issued shares of 618,717,503 fully paid, no par value ordinary shares, amounted to \$103,107,580 (30 June 2014: 615,774,351, amounted to \$102,724,971). During the half year, 2,943,152 shares were issued by way of exercising of 2013-2014 STI Performance Rights.

All shares are ordinary shares and have the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of members.

NOTE 11 - RESERVES

Share-based payments reserve *
 Foreign currency translation reserve **
Total reserves

	31 December 2014	30 June 2014
	\$	\$
	1,033,007	877,588
	(2,239,613)	(2,241,722)
	(1,206,606)	(1,364,134)

* Share based payments reserve is used to recognise the fair value of shares and rights accrued or issued to employees of the company.

** The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

NOTE 12 - JOINT VENTURES

The following is a list of mining tenements held by Icon Energy and its subsidiaries.

Oil and Gas	Basin	Interest %	
		31 December 2014	30 June 2014
ATP 549P West	Cooper Eromanga	33.33%	33.33%
ATP 594P*	Cooper Eromanga	100.00%	50.00%
ATP 794P Regleigh & Springfield	Cooper Eromanga	60.00%	60.00%
ATP 626P	Surat	100.00%	100.00%
ATP 855P	Cooper	35.10%	35.10%
PRLs33-49**	Cooper	33.33%	33.33%
PEP170	Gippsland	100.00%	100.00%
PEP172***	Gippsland	100.00%	100.00%
PEP173***	Gippsland	100.00%	100.00%

* In September 2014, the Department of Natural Resources and Mines transferred the outstanding 50% interest from former joint owner Triple J Resources to Icon Energy following the de-registration of Triple J Resources.

** Formerly PEL 218 (Post Permian Section).

*** Permit to be granted

NOTE 13 - CONTROLLED ENTITIES

	Country of incorporation	Date of incorporation	% Owned	
			31 December 2014	30 June 2014
Parent entity:				
Icon Energy Limited	Australia			
Subsidiaries of Icon Energy Limited:				
Jakabar Pty Ltd	Australia	18 December 1992	100	100
Icon Drilling Pty Ltd	Australia	18 November 1994	100	100
Icon Gas Productions Pty Ltd	Australia	16 December 2008	100	100
Icon Oil US (LLC)	USA	2 October 2000	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the half-year ended 31 December 2014

NOTE 14 - SEGMENT INFORMATION

The consolidated entity operates in one operating segment being the oil exploration and petroleum sector, predominantly within Queensland. The majority of its exploration activities are conducted in the Cooper/Eromanga and Surat Basins in Australia. Icon's Board of Directors review internal management reports on at least a monthly basis.

INFORMATION ABOUT GEOGRAPHICAL AREAS

In presenting the information on the basis of geographical areas, the Australian geographical area includes all corporate head office expenses on the basis that activities in Australia are still in an exploration phase and all resources within the corporate head office are applied to these exploration activities.

	Australia		USA		CONSOLIDATED	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013	31 December 2014	31 December 2013
	\$	\$	\$	\$	\$	\$
REVENUE						
External - Sales	7,957	6,059	-	-	7,957	6,059
Total segment revenues	7,957	6,059	-	-	7,957	6,059
Interest Received	332,655	546,178	-	-	332,655	546,178
Other Income	-	2,966	-	-	-	2,966
Total revenue	340,612	555,203	-	-	340,612	555,203
RESULTS						
Segment net operating profit after tax	8,187,162	(2,854,759)	(195)	(183)	8,186,967	(2,854,942)
Interest expense	15,926	39,380	-	-	15,926	39,380
Impairment of Assets	-	92,291	-	-	-	92,291
Loss on disposal of non-current assets	(9,657)	(33,753)	-	-	(9,657)	(33,753)
Segment Assets	78,959,252	71,357,633*	16,346	14,432*	78,975,598	71,372,065*
Segment Liabilities	2,567,436	3,691,007*	-	-*	2,567,436	3,691,007*
OTHER						
Acquisition of non-current segment assets	92,796	8,251	-	-	92,796	8,251
Depreciation and amortisation	153,890	100,304	-	-	153,890	100,304

* as at 30 June 2014

NOTE 15 - CONTINGENT LIABILITIES

Icon Energy Limited and Jakabar Pty Ltd are currently in dispute with Southern Fairway Investments Pty Ltd (formerly Babcock & Brown Australia Infrastructure Pty Ltd) ("B&B") and Ronald Baldwin where B&B and Mr Baldwin are claiming damages arising from an alleged breach of a Memorandum of Understanding entered into by the parties in June 2008 in the vicinity of \$221.75 million and an Agency Agreement entered into by Icon Energy with Mr Baldwin in May 2008 in the vicinity of \$52.4 million. Icon Energy gives no credence to the alleged estimate of loss given by B&B and Mr Baldwin. Proceedings were commenced in the Queensland Supreme Court by claim filed by B&B and Mr Baldwin on 16 April 2014. On 3 February 2015 a judgement was issued in the Queensland Supreme Court to strike out the statement of claim in its entirety.

NOTE 16 - EVENTS AFTER BALANCE SHEET DATE

Since the end of the period, the Directors are not aware of any other matter or circumstance not otherwise dealt with in this report or the Financial Statements, that has significantly or may significantly affect the operations of the Consolidated Entity.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

- 1) The financial statements and notes set out on pages 9 to 16 are in accordance with the *Corporations Act 2001*, including:
 - a) complying with Accounting Standard *AASB 134 Interim Financial Reporting*; and
 - b) giving a true and fair view of the Consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date.
- 2) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read "R James", with a long horizontal flourish extending to the right.

Raymond S James
Managing Director

Signed at Broadbeach, 24 February 2015

Independent Auditor's Review Report

To the Members of Icon Energy Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Icon Energy Limited and its controlled entities, which comprises the consolidated statement of financial position as at 31 December 2014, and the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is if free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Icon Energy Limited and its controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

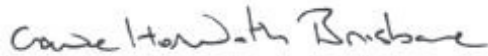
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Icon Energy Limited and its controlled entities is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard *AASB 134 Interim Financial Reporting* and *Corporations Regulations 2001*.



CROWE HORWATH BRISBANE



BRENDAN WORRALL

Partner

Signed at Brisbane, 24 February 2015