

29 October 2014

ASX Company Announcements Office

Icon Energy Ltd Corporate Update

Attached is a copy of an Icon Energy Ltd Corporate Update to be released today.

Yours faithfully

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

Ross Mallett
Company Secretary

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Corporate Update
29 October 2014

Richard Holliday
Commercial Manager



This presentation may contain certain statements and projections provided by or on behalf of Icon Energy Limited (Icon) with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of Icon.

Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with the oil and gas industry which may be beyond the control of Icon which could cause actual results or trends to differ materially, including but not limited to price and currency fluctuations, geotechnical factors, drilling and production results, development progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates, environmental risks, ability to meet funding requirements and share price volatility. Accordingly, there can be no assurance that such statements and projections will be realised. Icon makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.

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Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Icon.

The presentation refers to information on certified contingent and prospective resources previously released to the market. Icon is not aware of any new information or data that materially affects the information included in the announcements released on 23 August 2013 and 19 June 2014. All the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed. Resource estimates were evaluated in accordance with the Petroleum Resources Management System (PRMS). Probabilistic estimates have been made for each target formation and these have been statistically aggregated.

All references to dollars, cents, or \$ in this document are to Australian currency, unless otherwise stated.

Capital Structure	
ASX Ticker	ICN
Shares on issue	615,774,351
Share price (October 29 th)	A\$0.13
Market capitilisation	A\$80.1 million
Cash (September 30 th)	A\$21.11 million (no debt)



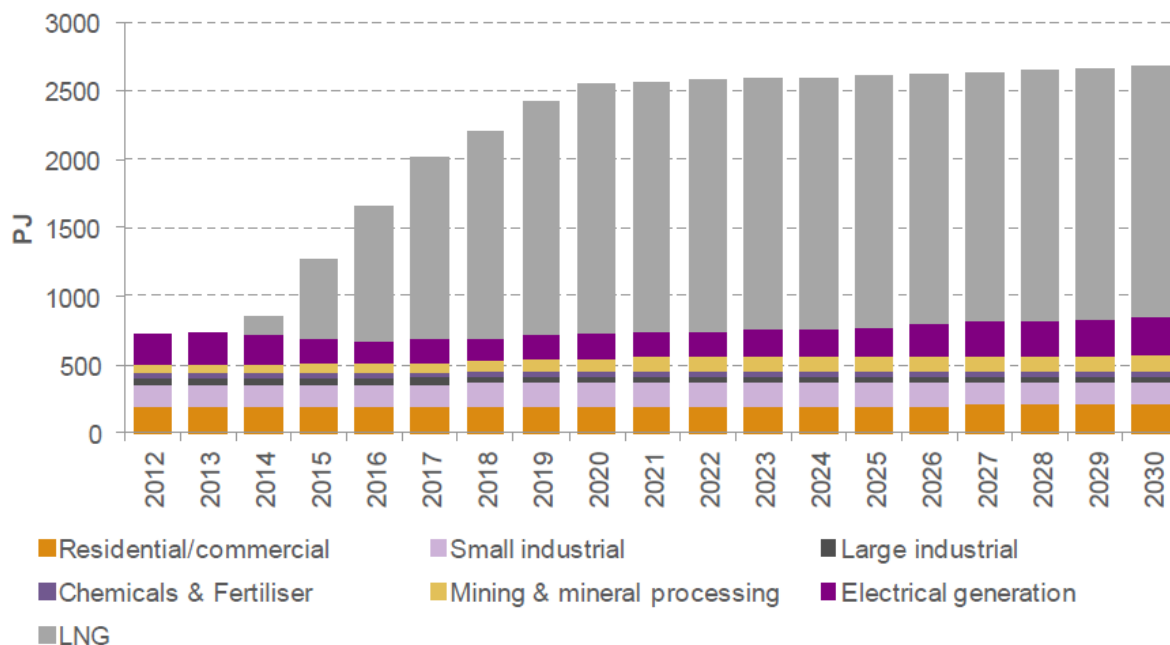
- Net profit: A\$1.57million
- R&D payment received: A\$7.49million
- Share Placement Funds: A\$18.8million
- R&D exploration expenditure: A\$23.04million
- Cash balance: A\$21.11million with no debt₂
- Prospective Natural Gas Resources 10Tcf P50₁ (Icon share)
- Drilled 5 vertical Basin Centred Gas wells in ATP 855
- Acquired additional 50% interest in ATP 594 and regained 100% interest in ATP 626

1 Announced to the ASX 19th June 2014 . 2 As at 30 September 2014

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

- Strong predicted growth in Eastern Australian gas and Asian LNG demand
- Gladstone based export LNG projects have transformed the east coast gas market
- Projected gas supply is 'tight' and demand strong
- The bulk of 'non-LNG' demand is yet to be contracted
- Upward pricing trajectory confirmed by recent contracts and market commentary

Eastern Australia total gas demand scenarios (PJ)

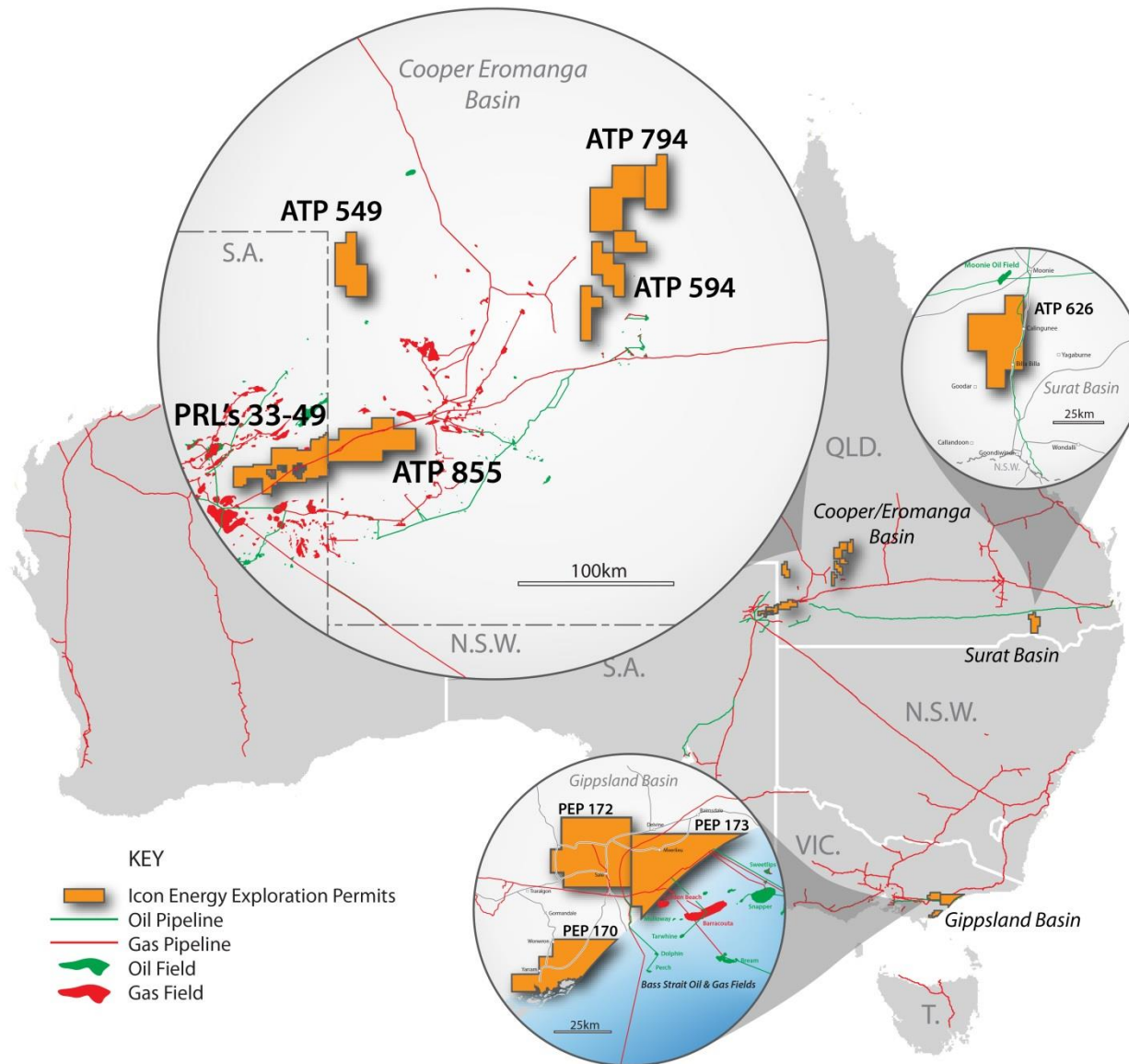


CBA Energy Research prediction for 2014: "East Coast Gas prices spike above \$13/GJ with Gladstone LNG projects..... hoovering up supply to fill facility LNG capacity shortfall"

Significant investment through to 2017 will see around 85 mtpa₁ of LNG capacity on line across Australia ...



(1) Source: Wood Mackenzie LNG Tool Q1 2014 – Imports & Demand.



11,520sqkm tenements,

LNG EXPORTERS DRIVING DEMAND

Eyes turn to Cooper Basin gas

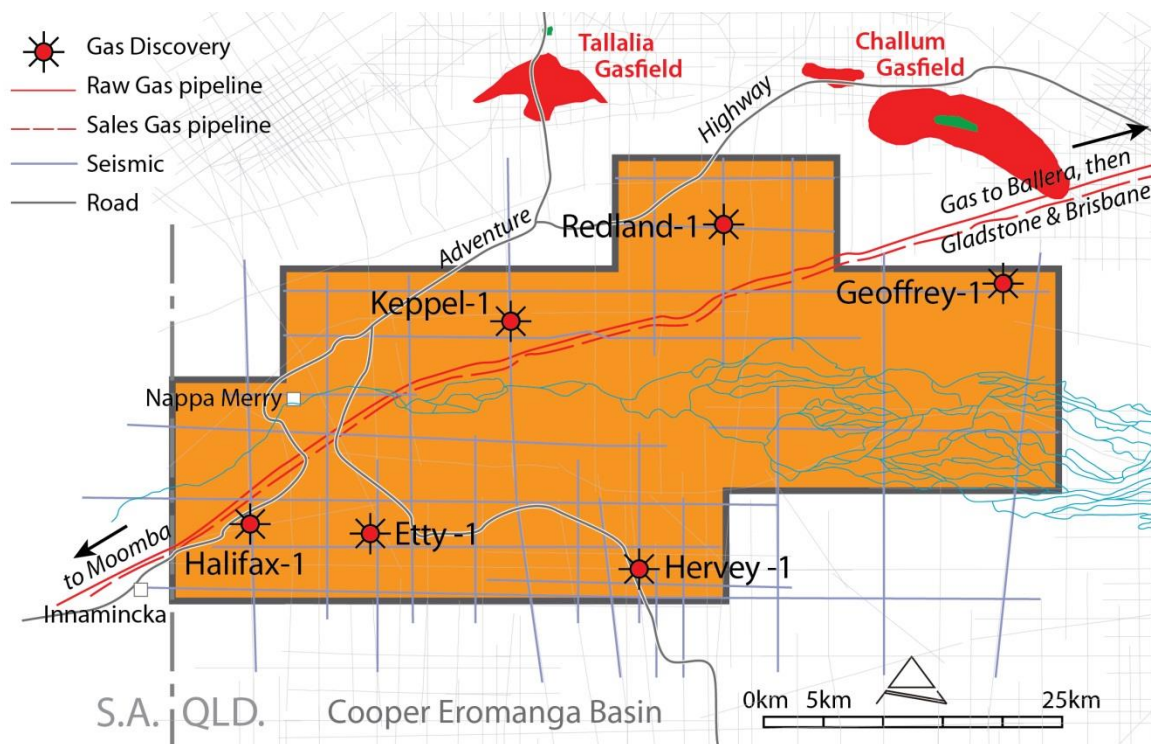
EXCLUSIVE

PAUL GARVEY
ENERGY

The key players have already taken positions in the Cooper Basin. Santos has had a presence in the basin for decades, while BG and Origin have entered into

Icon Energy holds 35.1% interest in ATP 855 (1,674sqkm) located in the Nappamerri Trough in the Cooper Basin

- Discovered continuous basin centered gas play
- Drilled six deep unconventional tight sands and shale gas wells
- Five petroleum discoveries; Halifax-1, Keppel-1, Redland-1, Etty-1 and Hervey-1
- Halifax-1 4.5MMScf/d highest flow rate of shale gas well in Cooper Basin
- Keppel-1 gas flowed to surface without stimulation
- Sales and raw gas pipeline traverse ATP855
- Thicker formations: REM > 500 metres, Patchawarra < 900 metres
- Over pressured zones



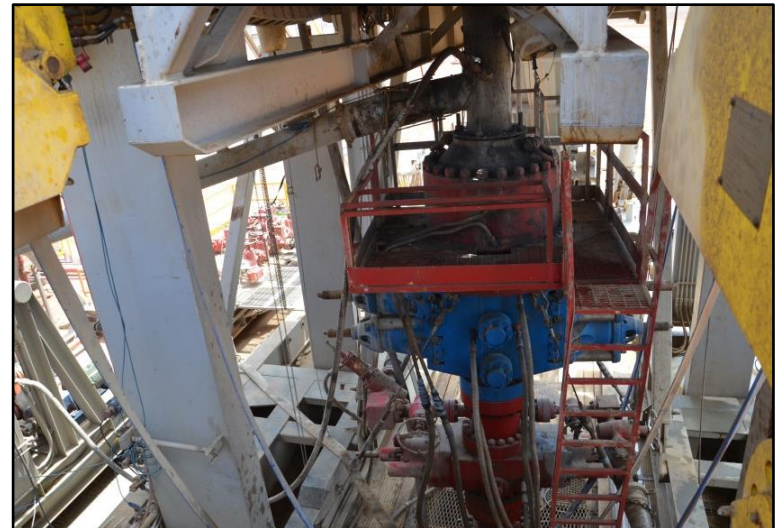
Icon Energy share 35.1%



Ensign 965 drilling rig



Ensign 965 drill floor depth monitor



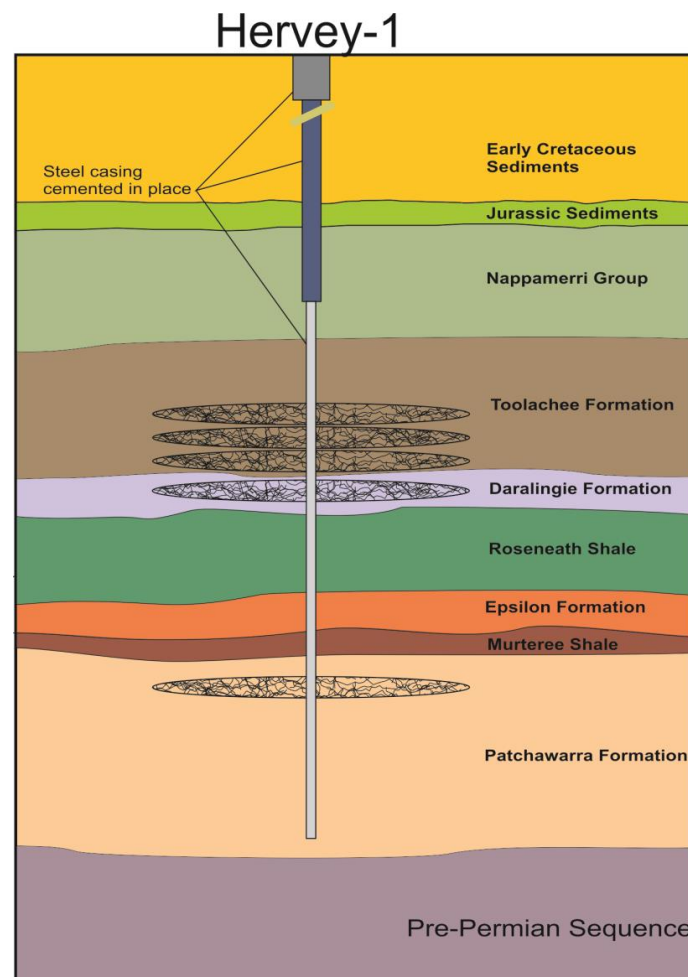
Etty-1 well head

Completed six well drilling program all with significant gas shows

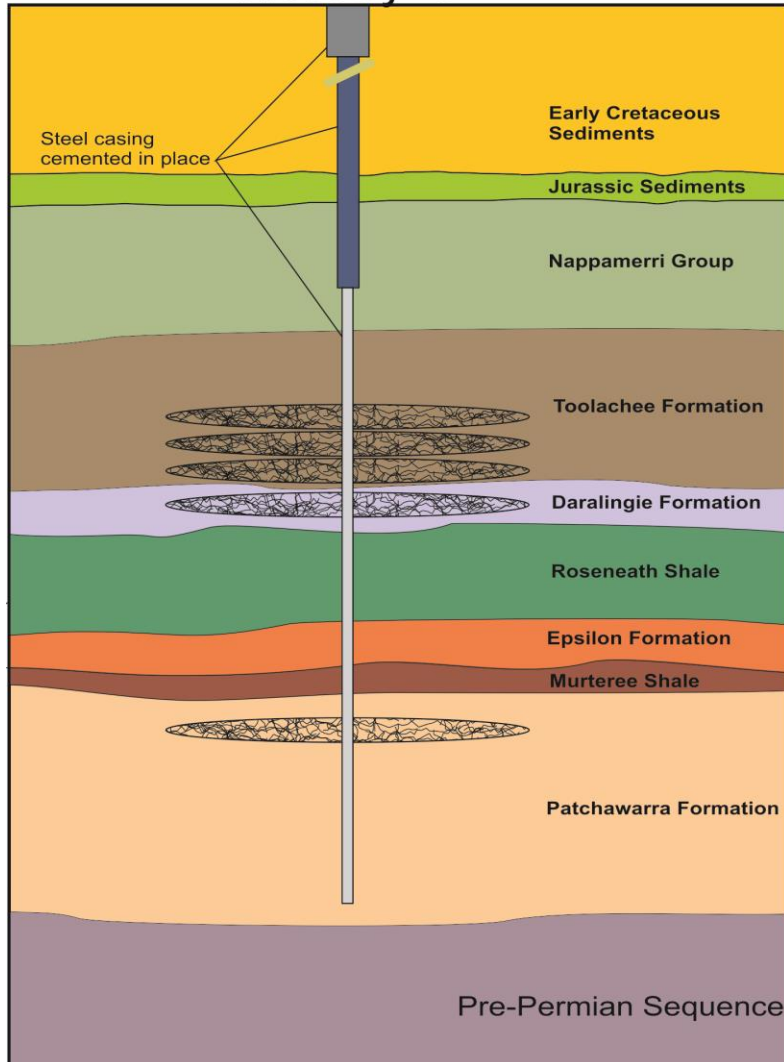
Well	Halifax-1	Keppel-1	Hervey-1	Etty-1	Redland-1	Geoffrey-1
TD	4,267m	3,898m	4,269m	3,807m	3,804m	4,125m
Gas Shows	Yes	Yes	Yes	Yes	Yes	Yes
Stimulation stages	14	N/A	5 stages completed in October 2014	4 stages completed in October 2014	3 stages commenced in October 2014	1 stage ₁ planned in November 2014
Max. flow rate	4.5MMscf/d	Flowed gas to surface unstimulated	Flow testing commenced in October₄	Flow testing commenced in October₄	Flow testing to commence in November 2014 ₃	Flow testing planned to commence in November 2014 ₃
2C Contingent resources (gross)	629bcf	TBA	TBA	TBA	TBA	TBA
Comments	Highest gas flow rate from unconventional shale gas well in Cooper Basin	Flowed gas to surface unstimulated	Initial flow rate from 5 stages across 3 formations ₂	Initial flow rate from 4 stages across 2 formations ₂	Plan to flow test following fracture stimulation	Target interval gas saturated supported by mud gas readings

Hydraulic stimulation program will focus on decline rates and establishing estimated ultimate recovery (EUR) from future wells

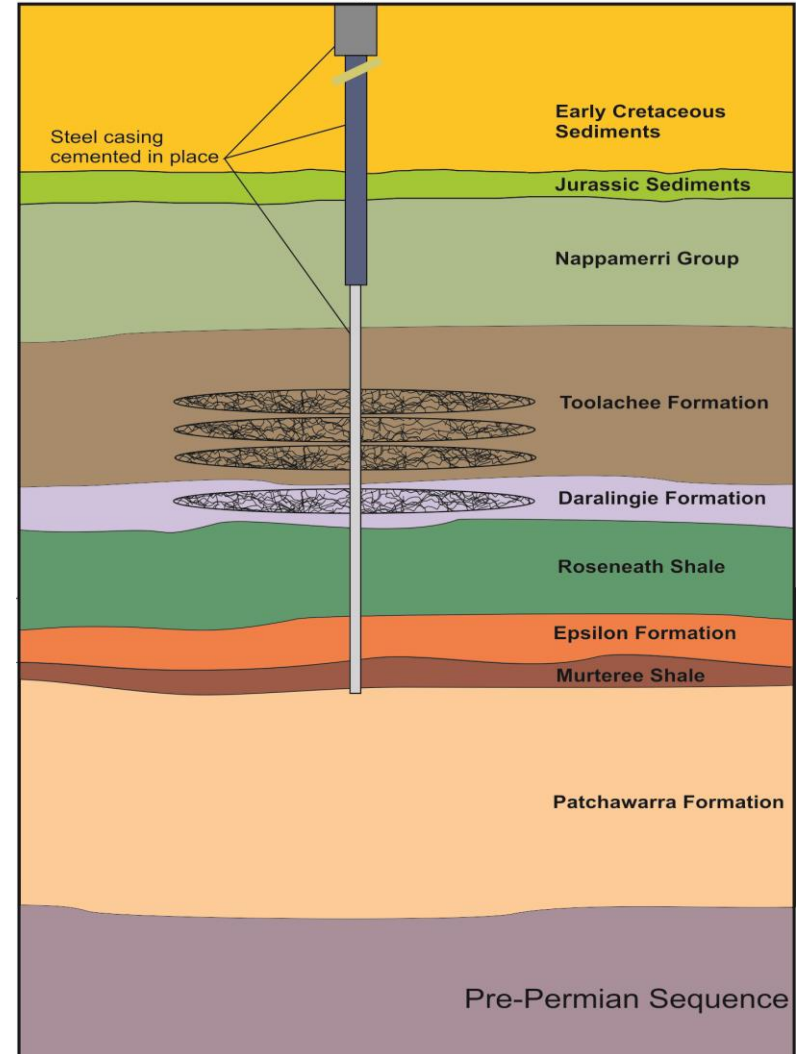
- Hervey-1 – Stimulated over five stages, flow test commenced in October 2104
- Etty-1 – Stimulated over four stages flow test commenced in October 2014
- Redland-1 – Stimulation to target the Toolachee Formation
- Geoffrey-1 – Injectivity test to influence next step, which may be a free-flow test of a lower interval or fracture stimulation of Patchawarra and Epsilon and then test
- Proposed stimulation parameters:
 - 40/70 proppant size
 - Max. treating pressure of ~13,300 psi
 - Each stage to use ~8,000 bbl of fluid (~1.3 ML) and ~220,000 lb of proppant
 - Max. pump rate of ~80 bbl per minute



Hervey-1

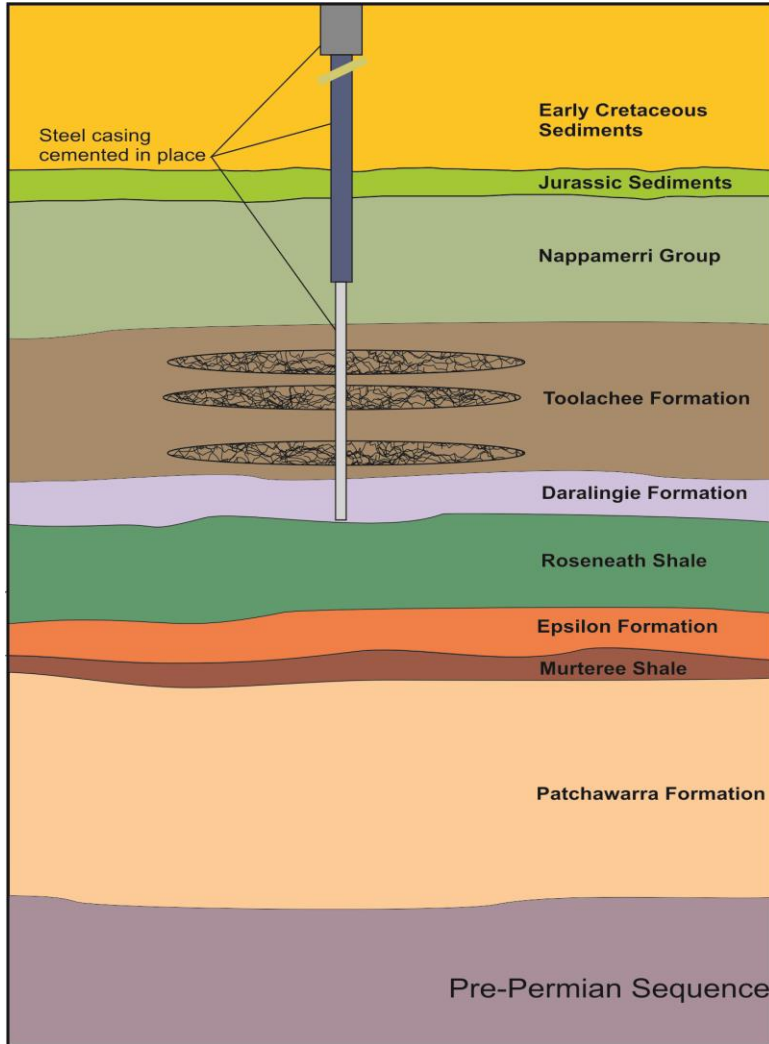


Etty-1

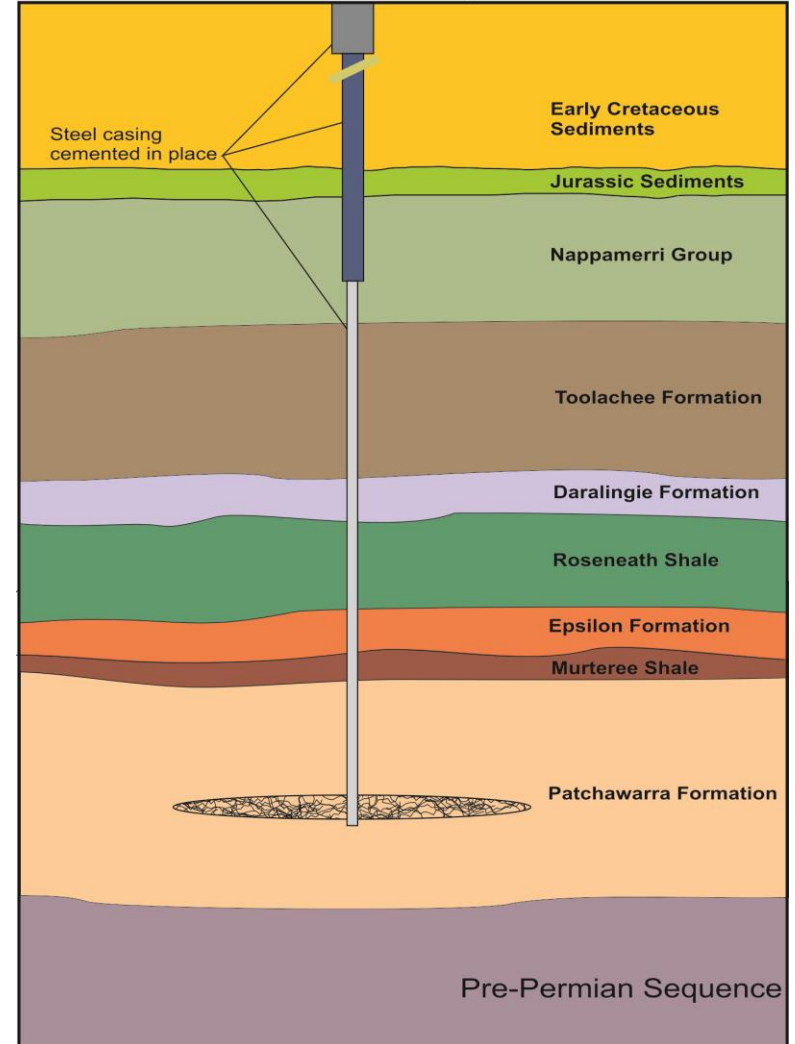


5 zones stimulated in Hervey-1 ; 4 zones in Etty-1

Redland-1



Geoffrey-1



3 zones stimulated in Redland-1; 1 zone in Geoffrey-1



Condor Hydraulic Stimulation Pump



Condor Hydraulic Stimulation Spread



Condor Energy Services Field Operators



Condor Blender

Gross Unconventional Recoverable Prospective Raw Natural Gas Resource ATP 855

Gross Unconventional Prospective Raw Natural Gas (Tcf) ¹	Low Estimate (P90)	Best Estimate (P50)	High Estimate (P10)
Gross (TCF)	21.48	28.49	37.74
Nett (Icon 35.1%) (Tcf)	7.65	10.00	13.25

10Tcf Prospective Resource

Contingent Resource is around the Halifax 1 well only

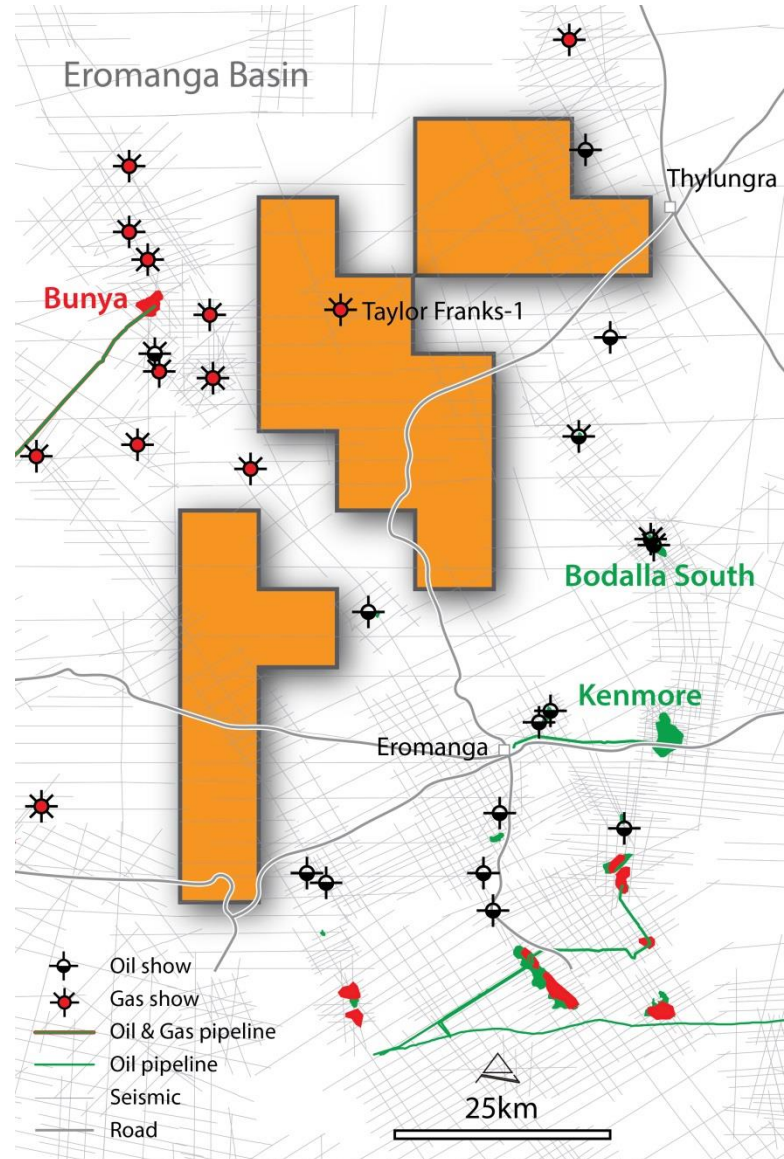
Contingent Resources ²	1C	2C	3C
Gross (Bcf)	318	629	1,115
Net (Icon 35.1%) (Bcf)	112	221	391

221 Bcf 2C and 391 Bcf 3C Contingent Resource

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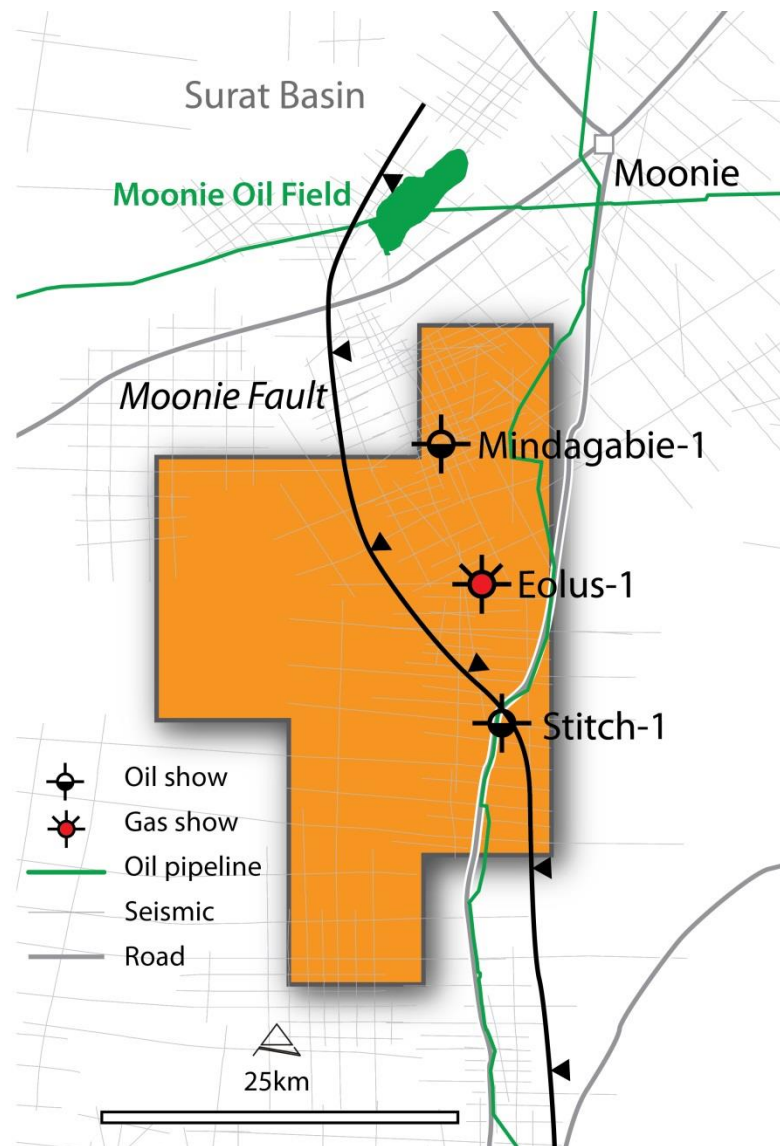
¹ Announced to the ASX on 26th August 2013 ² Announced to the ASX on 19th June 2014 ³ Refer to further notes on resources in disclaimer

- Area 1,538sqkm located 140km west of Quilpie
- Icon Energy operator
- 100% interest in ATP 594
- Adjacent to a resource rich location within the Cooper-Eromanga Basin
- Undertaking RTN with Native Title applicants



100% interest & operated tenement

- Area 741sqkm located 45km north of Goondiwindi
- Icon Energy operator
- 100% interest in ATP 626
- Undertaking extensive geological review of potential sub surface oil and gas targets



100% interest & operated tenement

- ATP 855 potential World class tenement and multi Tcf resource
- Extensive infrastructure in ATP 855 including raw and sales gas pipelines to east coast and Gladstone LNG facilities
- Quality partners (Beach Energy and Chevron Australia)
- Flow-testing four wells in ATP 855. Highest IP of 4.5MMscf/d in Halifax-1
- 10Tcf (P50) Recoverable Prospective Raw Natural Gas Resource ATP855 (Icon share)
- Operatorship of over 2,200sqkm of highly prospective tenements across the premier oil and gas basins: Cooper-Eromanga and Surat
- Cash on hand A\$21.11 million, no debt
- Fully funded in existing work program
- Strategic focus of 2.2Tcf of 2P gas reserves

2Mtpa x 20 years LNG contract with Shantou SinoEnergy





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