
4 Miami Key
PO Box 2004
Broadbeach Waters
Queensland 4218 AUSTRALIA

Ph: 61+ 07 5554 7111
Fax: 61+ 07 5554 7100
Email: info@iconenergy.com
Web: www.iconenergy.com

2 July 2010

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

MEDIA RELEASE
ICON'S CHINA MOU NOW HAS TAXATION CERTAINTY

Dear Sir

Queensland coal seam gas explorer, Icon Energy Limited (ICN) has complimented Premier Anna Bligh's involvement in the resolution of the mining tax issue.

The agreement reportedly provides certainty for projects in the emerging industry of converting coal seam gas to LNG, by including all Australian onshore and offshore oil and gas projects, including the North West Shelf, in the Petroleum Resource Rent Tax (PRRT) regime

Icon Energy Managing Director Ray James said today that he believed that the Premier had successfully advocated the inclusion of the CSG industry within an expanded PRRT.

"The Premier clearly understands the importance of the sector to Queensland's future wealth and prosperity, so Icon for one is appreciative of her efforts.

While details are still to be finalised this initiative is encouraging as Icon is comfortable in principle to operate under the new proposed tax regime. It is imperative that Icon has taxation certainty as it moves forward in the negotiations with its Chinese partners.

"

We believe that including all oil and gas projects in the one regime will ensure equitable tax treatment between competing projects.

In April, Icon signed a Memorandum of Understanding for an exclusive 20-year gas sale contract with a subsidiary of the Chinese firm, Shenzhen SinoGas.

Under the export deal Icon could commence its first shipments of liquefied natural gas (LNG) to China as early as 2014 subject to final negotiations for a Gas Sale Agreement (GSA).

The GSA, scheduled for execution by 31 August this year, would position Icon as the exclusive supplier of 40 million metric tonnes of LNG or 2.2 trillion cubic feet (TCF).

Icon Energy's exploration program includes tenements ATP 626P, ATP 849P and ATP 855 in Queensland and PEL 218 in South Australia.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Ray James', with a long horizontal flourish extending to the right.

Ray James
Managing Director
Icon Energy Limited
Telephone: (+617) 5554 7111
Facsimile: (+617) 5554 7100
Email: info@iconenergy.com or visit www.iconenergy.com

Icon is an Australian ASX listed petroleum and gas explorer. Its exploration assets are located in the Cooper/Eromanga Basins in South Australia and the Surat Basin in Queensland