



25 February 2013

ICON ENERGY WELCOMES CHEVRON AUSTRALIA AS A JV PARTNER IN ATP 855

Chevron Australia Farmin to ATP 855

Icon Energy Ltd ("Icon") welcomes the announcement today by Beach Energy Ltd ("Beach Energy") in relation to the farm-out of part of Beach Energy's equity in the PEL 218 and ATP 855 permits to Chevron Australia Exploration 1 Pty Ltd ("Chevron").

Under the farm-out Beach Energy will assign 60% of its interest in PEL 218 and ATP 855 to Chevron Australia. Icon will retain its 40% interest in ATP 855. Icon has consented to and waived its pre-emptive rights in relation to each stage of the farm-out transaction. In addition to this, Icon has been granted a put option by Beach Energy, exercisable by Icon up to 30 June 2013, where Icon can require Beach Energy to acquire a 4.9% interest in ATP 855 from Icon on payment by Beach Energy of US\$18 million.

Icon's Managing Director Ray James said "Icon warmly welcomes Chevron to the ATP 855 joint venture. Chevron is a recognised leader in the energy industry and the joint venture will benefit from Chevron's extensive experience and expertise in shale gas and basin centred tight gas exploration and development."

Beach's Managing Director, Reg Nelson, said: "This transaction vindicates in many ways the vision that Beach Energy has in relation to the potential of unconventional gas in the Cooper Basin. We look forward to working closely with Chevron and Icon Energy in the continued rejuvenation of the Cooper Basin."

Completion of Farm-out

Icon is also pleased to confirm that Beach Energy has completed its commitments under the farmin agreement entered into in 2011 whereby Icon agreed that it would assign a 40% interest in ATP 855 to Beach Energy in return for Beach Energy drilling and developing the Halifax 1 well.

Update on Halifax 1 Well

On 14 February 2013 Icon advised that the Halifax-1 unconventional vertical well in ATP 855P was flowing back gas at a constrained rate of 2.23 MMscfd. This flow rate is expected to increase as the stimulation fluid is recovered and the choke is opened further.

Icon Energy is extremely pleased with this early result as it proves the extension of the basin centred gas play in the Nappamerri Trough into Queensland. We look forward to our appraisal drilling program establishing a significant gas resource in ATP 855P.

Over the coming weeks, we will be working hard with our Joint Venture partners on the planning and timetable to drill the additional 5 shale gas wells to meet the tenement commitments in the 2013-2014 calendar years.

Subject to successful flow testing we look forward to being in a position to announce a 2C contingent resource around the Halifax-1 well later in 2013.

With each step we are de-risking this unconventional basin centred gas play and moving closer to fulfilling our 2.2Mtpa LNG contract with Shantou SinoEnergy which is dependent upon us proving up 2P of 2TCF gas reserves.

Ray James
Managing Director

Interests in ATP 855P

Icon Energy 40%

Beach Energy 60%

Ends

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