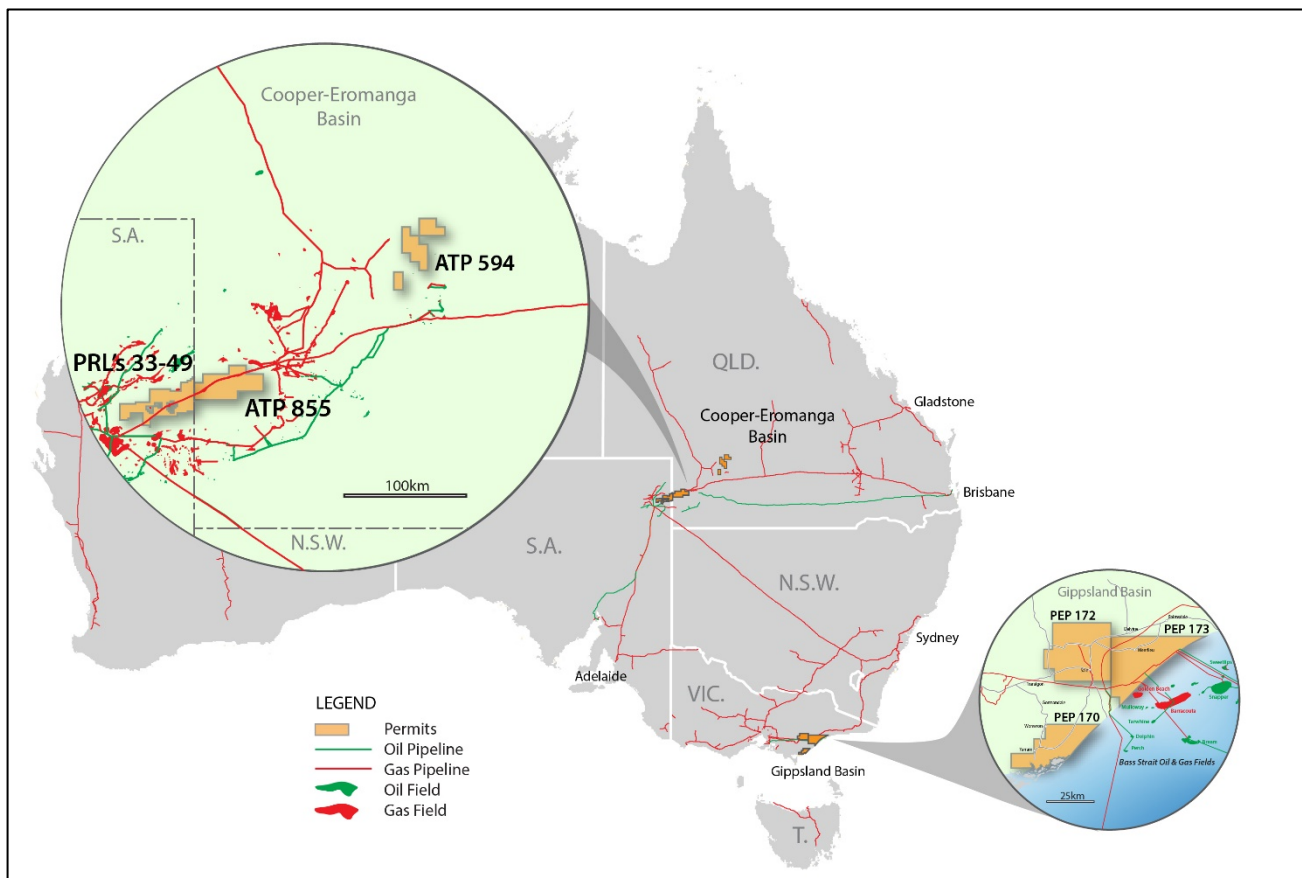


HIGHLIGHTS

Highlights during the quarter ending 30 June 2019;

- ATP 855: Icon is continuing discussions with potential farmin partners.
- ATP 594: The Government approved a 2-year extension of the first 4 year work program, which takes the tenement half way through the full 12 year term.
- ATP 594: Icon is continuing to discuss opportunities with potential farmin partners.
- Application submitted to renew 50% of PRL's 33-49.

OPERATIONS



Map showing the location of all Icon Energy Tenements

ATP 855

Queensland – Petroleum Exploration – Cooper-Eromanga Basin

ATP 855, located in the Nappamerri Trough, Cooper Basin, contains a very large, unconventional, basin-centred gas resource. The permit, which is covered by eight (8) Potential Commercial Areas (PCAs), is currently two thirds of the way through Year 3 (Year 9 for the tenement) of a 4-year Later Work Program (LWP) and remains compliant. The remaining work under the current LWP includes a suite of G&G studies and 300 km² of new 3D seismic acquisition.

This next stage of activity in ATP 855 will require significant additional finance and discussions are continuing with companies that have expressed a strong interest in participating in the future appraisal and development of this gas resource with the express aim of demonstrating commerciality. Icon will immediately issue an announcement when an agreement is reached.

Icon is working towards the next stage of activity and continues to monitor the six discovery wells drilled within the tenement, which currently remain suspended.

Icon is the Operator of ATP 855 and has 100% working interest in the tenement.

ATP 594

Queensland – Petroleum Exploration – Cooper-Eromanga Basin

ATP 594 is located on the eastern flank of the Cooper-Eromanga Basin, approximately 140 km west of Quilpie. The tenement is well positioned on the eastern flank of the Cooper Basin within the oil and gas fairways. The areas immediately adjacent to ATP 594 contain the Kenmore and Bodalla South oil fields.

On 21 March 2019 the Department of Natural Resources, Mines and Energy approved the Special Amendment for ATP 594, which extends the Authority to Prospect, the Later Work Program and the relinquishment condition by 2 years from 16 April 2019 to 16 April 2021. After this date, the tenement will have a further exploration period of 6 years to April 2027, the approval of which will be subject to fulfilling the requirements of the current work program.

Following the Harrier 3D seismic survey in the northern block a structural prospect was identified at Hutton Sandstone level and a stratigraphic target identified in the mid-Birkhead Sandstone. There are additional leads, but these require further technical work.

Icon is continuing to discuss opportunities with potential farm-in partners.

Icon is the Operator of ATP 594 and has a 100% working interest in the tenement.

PEP 170, 172 and 173 Victoria – Gippsland Basin

PEP 170 (granted), and PEP 172 and 173 (grants pending), remain subject to a moratorium on onshore exploration and a ban on unconventional drilling activity.

The Victorian Government advised Icon that the *Resources Legislation Amendment (Fracking Ban) Act 2017* came into effect on 16 March 2017. The Act bans hydraulic fracturing under the *Petroleum Act 1990* and imposes a moratorium on conventional petroleum exploration and petroleum production in the onshore areas of Victoria until 30 June 2020.

An application for suspension and extension of PEP 170 was submitted to the Department of Economic Development, Jobs, Transport and Resources on 9 October 2018 and Icon is expecting to receive approval for this in due course.

The Earth Resources Regulation intends to vary the permit conditions of PEP 170 to reflect the approved suspension and extension and will consider Icon's proposed revised work program submitted in December 2017.

With the advent of a tightening gas market in NSW and Victoria, there is considerable pressure being placed on the Victorian Government to open up onshore Victoria and remove the moratorium. In addition, offshore gas fields are in decline and the need for additional gas resources are approaching a critical point to maintain industrial manufacturing.

In July the Victorian Government approved the drilling of an onshore well which is programmed to directionally drill offshore intersecting targets under the sea. This may indicate a potential change of thinking within Government foreshadowing the lifting of the moratorium on onshore exploration next year.

Meanwhile, Icon has continued to keep the tenement in good standing by paying all necessary statutory fees.

Icon is the Operator of PEP 170 and has a 100% working interest in the tenement.

PRLs 33 – 49 (Ex PEL 218) South Australia – Petroleum Exploration – Cooper-Eromanga Basin

On 15 March 2019 Beach Energy informed Icon that it has made an application to renew 50% of the PRL 33 to 49 area. This means that the eight PRL's that do not contain wells will be relinquished as of the anniversary date on 28 April 2019.

Icon has a 33.33% interest in the post-Permian section of PRLs 33 to 49 in South Australia.

Icon Energy Tenements

Permit / Area	Tenement Area	Permit Interest	Operator	Prospect Type
Cooper - Eromanga Basin, Eastern Flank				
ATP 594	1,230 km ²	100%	Icon Energy	Oil
Cooper - Eromanga Basin, Nappamerri Trough				
ATP 855	1,679 km ²	100%	Icon Energy	Shale Gas, Basin Centred Gas
PRLs 33 - 49*	1,601 km ²	33.33%	Beach Energy	Oil
Gippsland Basin				
PEP 170	804 km ²	100%	Icon Energy	Oil Gas
PEP 172**	1,312 km ²	100%	Icon Energy	Gas
PEP 173**	1,220 km ²	100%	Icon Energy	Gas

* Formerly PEL 218 (Post Permian Section)

** Permit to be granted

Table showing all Icon Energy's tenements

For further information, please contact:

Ray James
Managing Director

Martin Berry
Exploration Manager

Phone +61 7 5554 7111

Email investor.relations@iconenergy.com

Or visit the website www.iconenergy.com

Icon Energy Limited (ASX: ICN), is a petroleum exploration Company with a portfolio of acreage in the Cooper-Eromanga and Gippsland Basins in Australia. The Company's exploration strategy focuses on building significant and responsible operations with strategic partners to satisfy energy needs of Australian and overseas based consumers.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Icon Energy Limited

ABN

61 058 454 569

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(151)	(428)
(b) development		
(c) production		
(d) staff costs	(552)	(2,241)
(e) administration and corporate costs	(312)	(1,053)
1.3 Dividends received (see note 3)		
1.4 Interest received	67	228
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (includes GST collected for sale of the office building)	3	6
1.9 Net cash from / (used in) operating activities	(945)	(3,488)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	0	(9)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	0	65
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (Bank Guarantee)		
2.6 Net cash from / (used in) investing activities	0	56

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	0	0

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	9,780	12,267
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(945)	(3,488)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	0	56
4.4 Net cash from / (used in) financing activities (item 3.10 above)	0	0
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	8,835	8,835

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	535	530
5.2 Call deposits	8,300	9,250
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,835	9,780

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.27
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
362

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
9

Mr Stephen Barry's legal firm namely CKB Associates Lawyers issued an invoice to Icon Energy in relation to the preparation of legal documents totaling \$8,685 exclusive of GST.

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

--

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	100
9.2 Development	
9.3 Production	
9.4 Staff costs	500
9.5 Administration and corporate costs	300
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	900

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 31 July 2019
(Director/Company Secretary)

Print name: Dr Kevin Jih

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.