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30 July 2013

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

Lodgement of Quarterly Report

Please find attached copy of Icon Energy Limited's Quarterly Report and Appendix 5B for the quarter ended 30 June 2013.

Ross Mallett
Company Secretary

Icon Energy Limited

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QUARTERLY REPORT ICON ENERGY LIMITED

Period Ending 30 June 2013



Ensign Rig 965 drilled the Hervey-1 well in ATP 855, Cooper Basin in Queensland.

ICON ENERGY LIMITED

ABN 61 058 454 569

DIRECTORS

Stephen Barry (Chairman)
Raymond James (Managing Director)
Dr Kevin Jih (Executive Director and CFO)
Derek Murphy (Non-Executive Director)
Dr Keith Hillless AM (Non-Executive Director)
Howard Lu (Non-Executive Director)

REGISTERED OFFICE

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Corporate

- On 25 June 2013, Icon transferred a 4.9% interest in ATP 855 to Beach Energy Limited (ASX: BPT "Beach") on payment by Beach of US\$18 million.
- Icon Energy Limited has acquired Goondi Energy Pty Ltd's ("Goondi"), a wholly owned subsidiary of Stanwell Corporation Ltd ("Stanwell"), equity interest in ATP626. Goondi (which acquired Stanwell's interest in the JV) has exercised its right to exit the joint venture and has entered into an agreement with Icon which provides for the transfer of all of Goondi's interests in the Joint Venture to Icon.

Operations

ATP 855

(Beach 46.9% and operator, Chevron 18%, Icon Energy Ltd (Icon) 35.1%)

- The Halifax-1 vertical exploration well has been drilled and fracture stimulated and is currently undergoing a six month period of flow testing.
- The Hervey-1 vertical exploration well was spudded on 26 May 2013 and is located 30 kilometres east of Halifax-1. Subsequent to quarter end the well reached total depth at 4,266 metres and is currently undergoing wireline logging operations. A thicker than expected Patchawarra Formation was intersected with over 800 metres of Patchawarra drilled before reaching total depth.
- The Keppel-1 vertical exploration well was spudded on 3 June 2013 and is located 25 kilometres north east of Halifax-1. Keppel-1 was drilled to approximately 3,900 metres before drilling was suspended due to elevated gas in the drilling mud. Significant gas influx within the well was identified, and mud-weight was increased to control this influx.



Icon Energy Farms Down JV Interest in ATP 855 to Beach Energy

On 25 June 2013, Icon transferred a 4.9% interest in ATP 855 to Beach Energy Limited (ASX: BPT "Beach") on payment by Beach of US\$18 million.

The transfer followed on from Icon's decision to exercise a put option that led to Beach acquiring an additional 4.9% interest in ATP 855 from Icon on payment by Beach of US\$18 million. As a consequence of the transfer Icon's interest in ATP855 reduced from 40% to 35.1%* and Beach's interest increased from 42% to 46.9% with effect on and from 25 June 2013.

Financial Position

The total cash balance at the end of the June 2013 quarter was \$33.20 million.

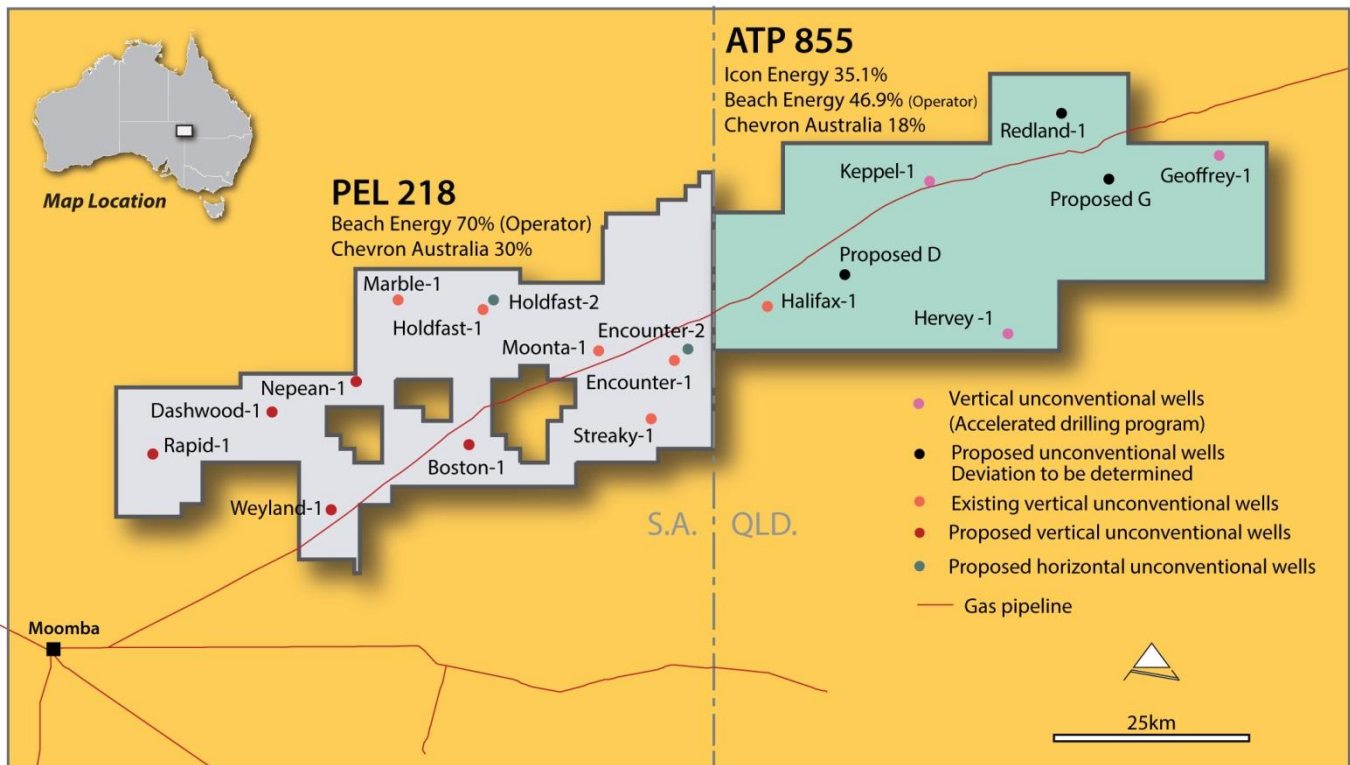
At 30 June 2013 Icon Energy had 533,391,210 shares on issue and 7,748 shareholders.



Queensland – Petroleum Exploration – Cooper Basin – ATP 855

Halifax-1 is the first well drilled in ATP855 by the joint venture with Beach and Chevron. It is planned to drill a further six wells (including Hervey-1 and Keppel-1) prior to October 2014 to complete the ATP855 work program commitments.

All these activities further de-risk unconventional shale gas exploration in ATP 855 and across the Cooper Basin.



Halifax-1

- Halifax-1 is the first well drilled as an exploration well and fracture stimulated in the 400,000 acre ATP 855 tenement.
 - The gas flowing from Halifax-1 represents proof of concept for a continuation of the deep tight basin centered gas play in the Queensland side of the Nappamerri Trough
- The Halifax-1 well was flowing gas at a rate of 0.9 MMscfd at period end. The extended production test is being conducted over a six month period to establish the production decline curve which is necessary to determine contingent resource numbers for this well and subsequent wells.



Hervey 1

- The Hervey-1 vertical exploration well was spudded on 26 May, using the Ensign 916 rig and is located 30 kilometers east of Halifax-1. Subsequent to quarter end, the well reached total depth at 4,266 meters on 16 July 2013 and is currently undergoing wireline logging operations.
- Hervey-1 showed a thicker than expected Patchawarra Formation with over 800 metres of Patchawarra drilled before reaching total depth.

Keppel 1

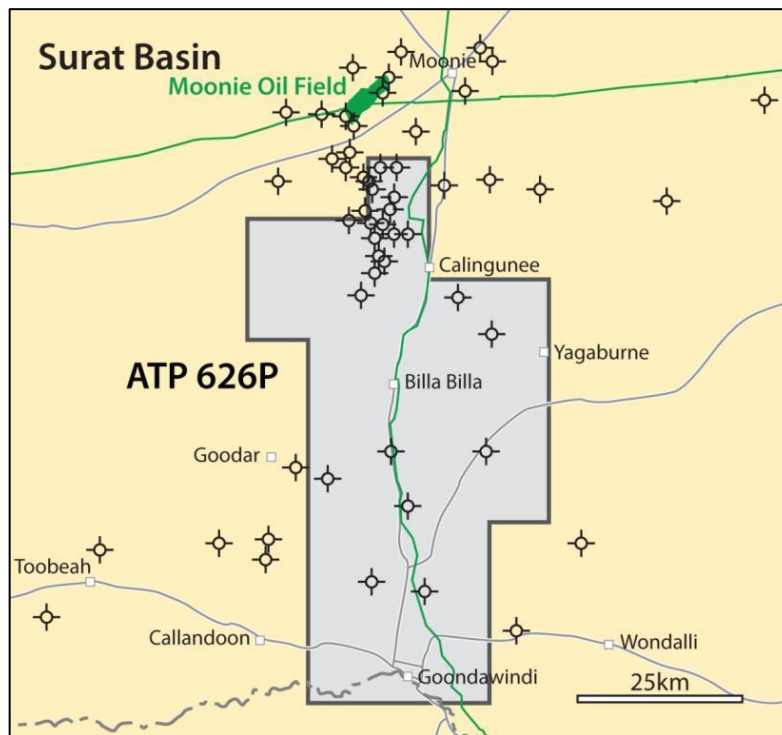
- The Keppel-1 vertical exploration well was spudded on 3 June using the Ensign 965 rig and is located 25 kilometers north east of Halifax-1. The vertical well is located in the deepest section of the trough and was scheduled to be drilled to a total depth of approximately 4,890 metres.
- Keppel-1 was drilled to approximately 3,900 meters before drilling was suspended due to elevated gas in the drilling mud. Significant gas influx within the well was identified, and mud-weight was increased to control this influx.
- The Operator, Beach Energy has taken the necessary steps to secure the well and is considering the options for the recommencement of drilling operations at Keppel-1.

Queensland – Surat Basin - Petroleum Exploration – ATP 626P

Icon Energy Limited announced on 3 July 2013 that it had acquired Goondi Energy Pty Ltd's ("Goondi"), a wholly owned subsidiary of Stanwell Corporation Ltd ("Stanwell"), equity interest in ATP626.

Goondi (which acquired Stanwell's interest in the JV) has exercised its right to exit the joint venture and has entered into an agreement with Icon which provides for the transfer of all of Goondi's interests in the Joint Venture to Icon.

Following the transfer Icon Energy holds 100% of the interest in ATP626.



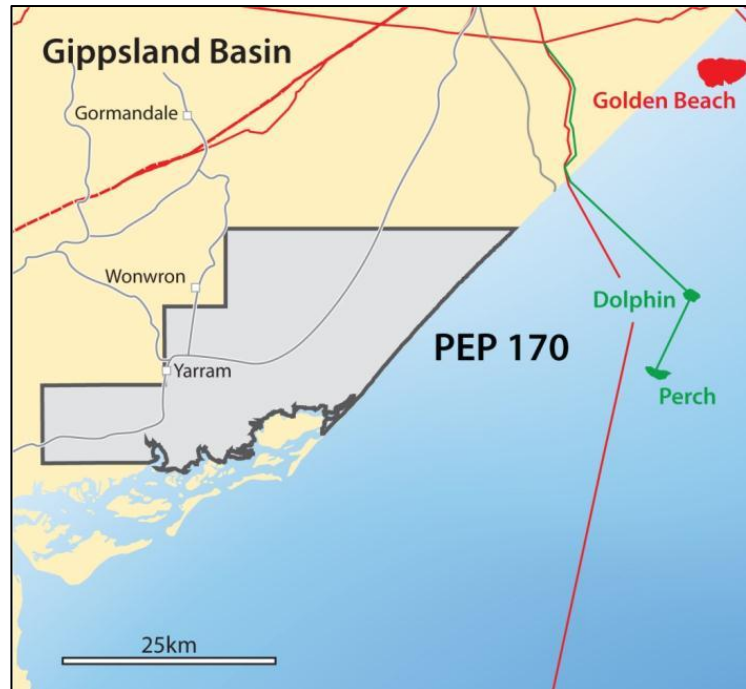
ATP 626P in the Surat Basin, Queensland

Victoria – Petroleum Exploration – PEP 170

The suspension on the use of hydraulic fracturing in coal seam and conventional gas exploration projects in Victoria by the Victorian Government continued during the quarter. It is not envisaged that the suspension will be lifted until guidelines for a national harmonized framework have been agreed upon. The Company has deferred its exploration program in Victoria until the suspension is lifted.

Proposed Exploration

When the abovementioned restrictions are lifted Icon Energy proposes to drill two conventional onshore gas wells and conduct 400km of seismic acquisition across the tenement, subject to landholder approval.



PEP 170 in the Gippsland Basin, Victoria

Drilling

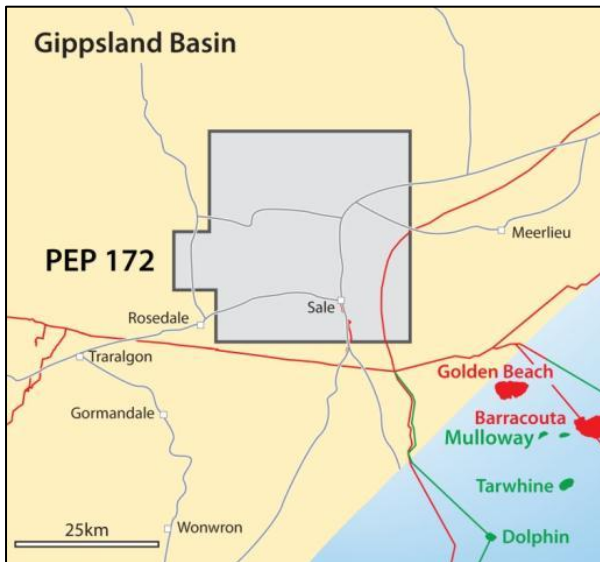
The two wells Tiger West-1 and Dragon-1 in PEP 170 are expected to be drilled to approximately 2,200 metres for each well primarily targeting the Strzelecki Formation. The well sites are located on freehold properties.

Seismic Acquisition

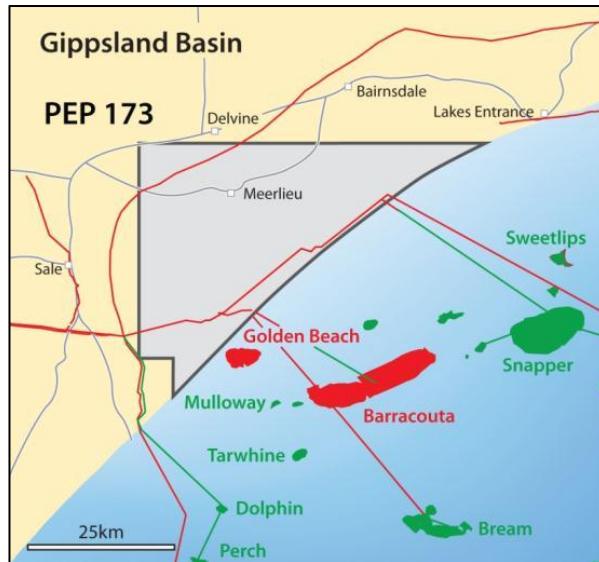
The planned Murray Seismic Program consists of 46 lines totaling approximately 400 km across PEP 170. The seismic lines are predominantly on major roads, however, a minority of the lines, totaling approximately 27kms will cross freehold land.

PEP 170 will not require the conclusion of an Indigenous Land Use Agreement (*ILUA*) prior to the commencement of the drilling program or the Murray Seismic Survey as work will be conducted on road reserves and freehold land.

Victoria – Petroleum Exploration – PEP 172 & PEP 173



PEP 172 in the Gippsland Basin, Victoria



PEP 173 in the Gippsland Basin, Victoria

In late 2011, the Victorian Department of Environment and Primary Industries (DEPI) offered to grant Icon Energy PEP 172 and PEP 173 subject to the negotiation of an Indigenous Land Use Agreement with the traditional owners, the Gunaikurnai People.

Icon Energy continued negotiations with the Gunaikurnai People, during the quarter, to finalise an ILUA covering the Company's three tenements in the Gippsland region including PEP 170, PEP 172 and PEP 173.

It is expected that the ILUA will be executed subsequent to the end of this quarter which will enable the DEPI to grant PEP 172 and PEP 173 to the Company.



ICON ENERGY OTHER TENEMENTS

Basin / Area	Permit / Area	Tenement Area (sqkm)	Permit Interest	Operator	Prospect Type
Cooper Eromanga Basin, Nappamerri Trough	PEL 218	1,602	33.33% Post-permian section only	Beach Energy	Coal Seam Gas
Eromanga Basin, Nappamerri Trough	EPG 49	200	100%	Icon Energy	Geothermal
Eromanga Basin, Nappamerri Trough	EPG 51	200	100%	Icon Energy	Geothermal
Cooper Basin	ATP 560 UEleven	307	50.5%	Icon Energy	Oil Gas
Eromanga Basin	ATP 549 West	3,681	33.33%	Drillsearch	Natural Gas Oil
Eromanga Basin	ATP 794 Brightspot Block Regleigh Block Springfield Block	5,315	75% 60% 60%	Icon Energy	Coal Seam Gas Shale Gas Oil
Eromanga Basin	ATP 594P	1,538	50%	Icon Energy	Natural Gas Coal Seam Gas Oil
Surat Basin	ATP 849P	3,854	80%	Icon Energy	Coal Seam Gas

No exploration activity occurred in these tenements during the quarter.



For further information please contact:

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About Icon Energy Limited (ASX:ICN), which listed on the ASX in 1993, is a gas and petroleum exploration Company with a portfolio of prime acreage in the Surat, 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 quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Icon Energy Limited

ABN

61 058 454 569

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(4,651)	(7,201)
(b) development		
(c) production		
(d) administration	(923)	(5,839)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	(2,851)	438
1.5 Interest and other costs of finance paid	(13)	(54)
1.6 Income taxes paid	3,051	3,051
1.7 Other (provide details if material)		
Net Operating Cash Flows	(5,387)	(9,605)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects		
(b) equity investments		
(c) other fixed assets	(13)	3
1.9 Proceeds from sale of: (a) prospects	18,837	19,378
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	18,824	19,381
1.13 Total operating and investing cash flows (carried forward)	13,437	9,776

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	13,437	9,776
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	0	14,100
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings	(6)	(84)
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	(6)	14,016
Net increase (decrease) in cash held			
		13,431	23,792
1.20	Cash at beginning of quarter/year to date	19,772	9,411
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	33,203	33,203

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	381
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	0	3,400
3.2 Credit standby arrangements	270	30

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	10,600
4.2 Development	Nil
4.3 Production	Nil
4.4 Administration	1,100
Total	11,700

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	21,841	12,772
5.2 Deposits at call	Nil	Nil
5.3 Bank overdraft	Nil	Nil
5.4 Other – bank term deposits	11,362	7,000
Total: cash at end of quarter (item 1.22)	33,203	19,772

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	ATP855	Authority to Prospect 855 (Petroleum Exploration)	40%	35.1%
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	533,391,210	533,391,210		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:


.....
(Executive Director / CFO)

Date: 11 July 2013

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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