



3 June 2013

KEPPEL-1 UNCONVENTIONAL SHALE GAS WELL SPUDS

Icon Energy Limited (**ASX: ICN**, "Icon") advises that the Keppel-1 well in ATP 855 (Icon 40%, Beach Energy Ltd (**ASX: BPT** "Beach Energy", Operator) 42%, and Chevron Australia Exploration 1 Pty Ltd ("Chevron") 18%¹ spudded on Monday 3 June.

Keppel-1, a vertical exploration well in ATP 855, will be drilled by the Ensign 965 rig to an expected depth in excess of 4,500 metres and will further evaluate the shale and basin centered gas play in the Toolachee, Daralingie, Roseneath, Epsilon, Murteree (REM) and Patchawarra Formation intervals within the Queensland portion of the Nappamerri Trough.

The Keppel-1 vertical exploration well will be:

- The deepest petroleum exploration well with the thickest gas section objective in the Nappamerri Trough to date;
- Located 25 kilometres to the north-east of Halifax-1;
- Selectively cored, with evaluation of the whole Permian section down to the base of the Patchawarra Formation; and
- Fracture stimulated and flow tested through multiple zones, with a material contingent resource expected to be booked.

Hervey 1, which was spudded on 26 May by the Ensign 916 rig continues to drill ahead in 12-1/4" hole section at 1,404 metres to a target depth of 4,200 metres.

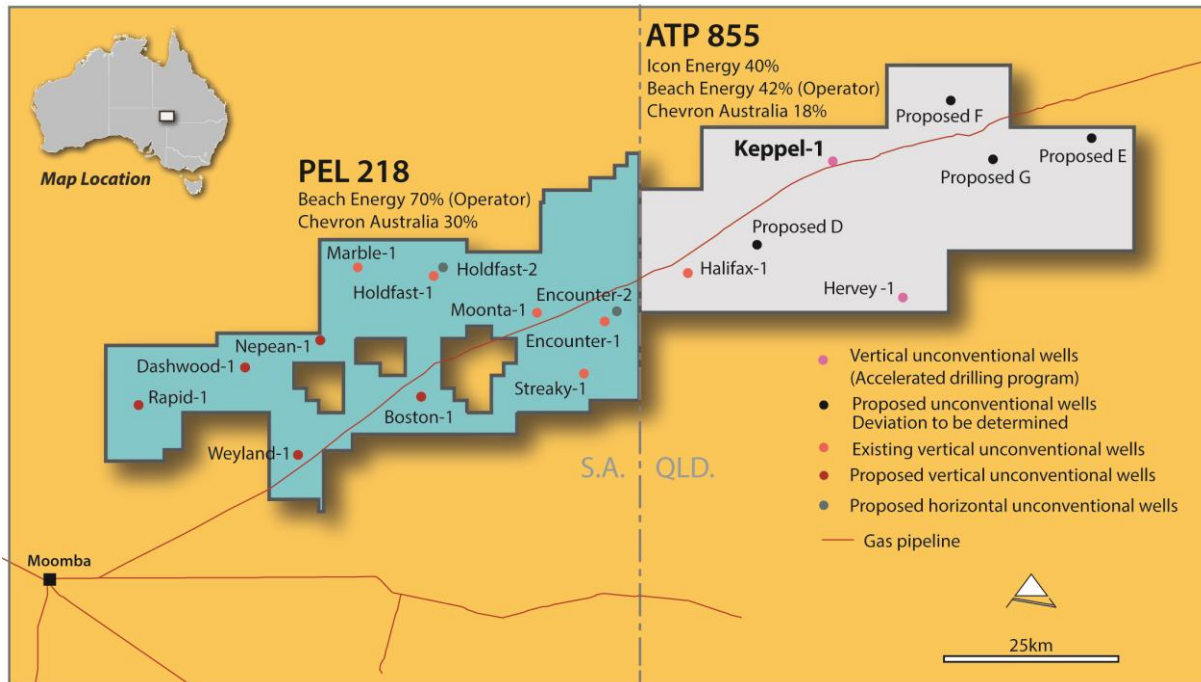


Figure 1: PEL 218 / ATP 855 Well Locations (proposed wells subject to JV Approval).

¹ Subject to regulatory approval

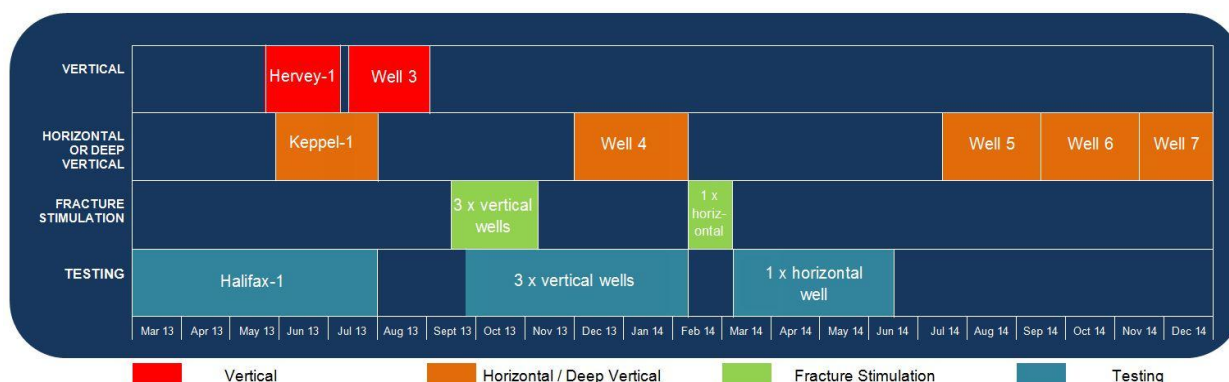


Figure 2: Proposed ATP 855 Activity Timeline to end 2014 (subject to JV approval)

The Managing Director of Icon Energy, Mr Ray James said, “the drilling of Hervey-1 and Keppel-1 over the coming weeks will continue the recently announced accelerated exploration program in ATP 855”.

The Nappamerri Trough is a potential world class gas asset and the most advanced shale and basin centred gas province in Australia. The continued exploration in the area will further de-risk the play.

During the drilling of Hervey-1 and Keppel-1 we will provide meaningful and timely announcements to shareholders and the market.

Interests in ATP 855

Icon Energy 40%

Beach Energy 42% (Operator)

Chevron Australia 18%² (Stage 1 farm-in)

Ends

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² Subject to regulatory approval.