



17 December 2013

REDLAND-1 UNCONVENTIONAL SHALE GAS WELL SPUDS

Icon Energy Limited (**ASX: ICN**, "Icon") advises that the Redland-1 well in ATP 855 spudded at 17:15 hours on Sunday 15 December 2013.

The ATP 855 Joint Venture comprises Icon (35.1%), Beach Energy Limited (Operator - 46.9%) and Chevron Australia Exploration 1 Pty Ltd (18%).

Redland-1, a vertical exploration well in ATP 855, will be drilled by the Ensign 965 rig to an expected depth of 3,800 metres to further evaluate the basin-centred gas play in the Queensland portion of the Nappamerri Trough.

The Redland-1 vertical exploration well will be:

- The most northerly petroleum exploration well within the ATP 855 permit;
- Located 22 kilometres northwest of Geoffrey-1;
- Specifically evaluated over the Toolachee and Daralingie Formations.

If Redland-1 is similar to those wells drilled to date in the permit, the well will be cased and suspended for subsequent hydraulic stimulation and flow testing.

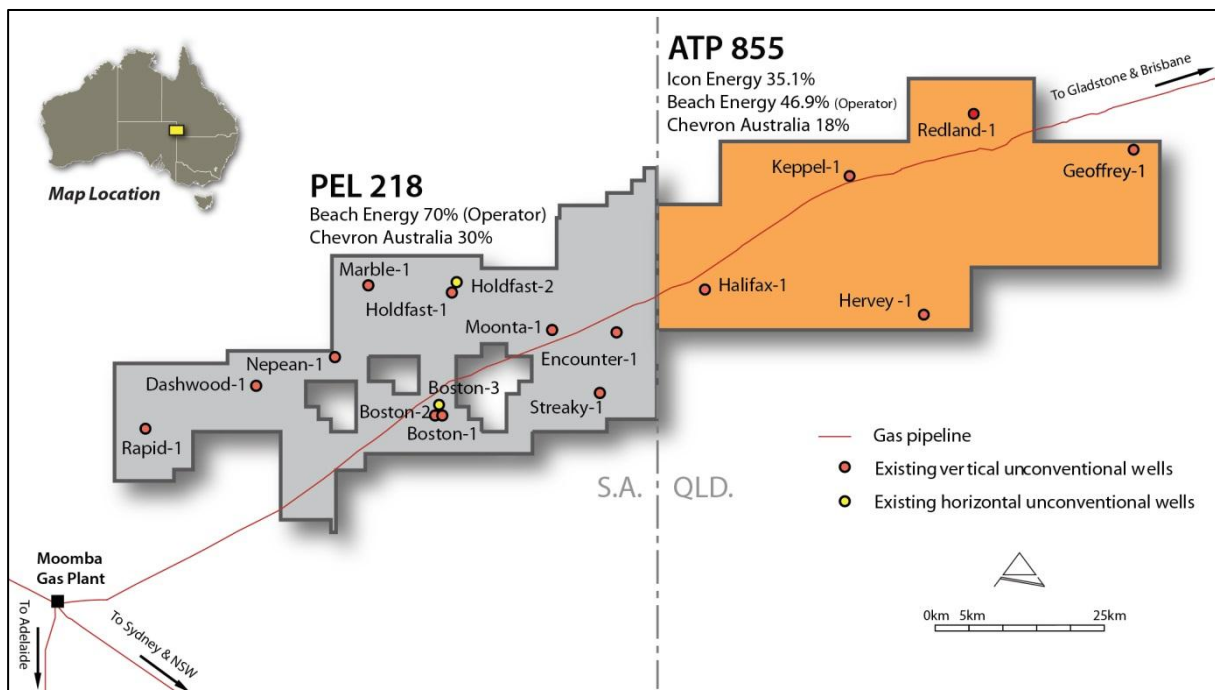


Figure 1: PEL 218 / ATP 855 Well Locations

Redland-1 is the fifth well in ATP 855 following on from Halifax-1, Hervey-1, Keppel-1 and Geoffrey-1, all of which confirmed the continuation of the basin-centred gas play in the Nappamerri Trough in Queensland.

Subject to joint venture approval, a sixth well will be drilled as part of the current exploration program and is planned to be completed within the first half of 2014.

It is proposed to commence hydraulic stimulation operations in the first quarter of calendar year 2014, beginning with the Hervey-1 well.

During the drilling of Redland-1 we will provide meaningful and timely announcements on the progress of the well which will be published on Icon's website.

Joint Venture Interests in ATP 855

Icon Energy Limited 35.1%

Beach Energy Limited (**ASX: BPT**) 46.9% (Operator)

Chevron Australia Exploration 1 Pty Ltd 18%



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