



## ASX Release

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**For Immediate Release – 15 July 2011**

Ref. #086/11

ASX Ltd  
Companies Announcement Office  
Electronic Lodgement System

Dear Sir,

### BEACH AND ICON SETTLE ATP 855P DISPUTE

**Beach and Icon have resolved their dispute in relation to the prospective ATP 855P tenement, and have agreed to work together under a Farmin Agreement executed today.**

Under the terms of their agreement:

- The Federal Court proceedings will be discontinued;
- Icon has now transferred a 40% interest in ATP 855P to Beach (subject to Ministerial approval);
- Beach will drill a horizontal pilot unconventional well into one of the strata comprising the Roseneath, Epsilon & Murteree sequence, then case and suspend the well, suitable for fracture stimulation, which is expected to occur within 30 days of rig release from the well;
- Beach will fund Icon's share of the farmin operations at an estimated cost of \$16 million (gross), with the exception of a \$1.75 million contribution to be made by Icon;
- the cost of fracture stimulation, completing and flow testing the well will be paid by the Joint Venture parties in proportion to their Participating Interest shares;
- Beach will be recommended by Icon to be the operator of the ATP 855 permit;
- Icon will be recommended by Beach to undertake the management of coal seam gas operations in both ATP 855P and PEL 218 Post Permian Joint Ventures; and
- Beach will effect the assignment of Icon's Phase 2 Post Permian PEL 218 interest upon Ministerial consent to the transfer of a 40% interest to Beach in ATP 855P, giving Icon a 33.333% interest in the PEL 218 Post Permian Joint Venture.

The interests of the parties in ATP 855P following this agreement are:

Beach Energy Limited (40%)

Icon Energy Limited (40%)

Deka Resources Pty Ltd (10%)

Well Traced Pty Ltd (10%)

Both Beach and Icon are pleased with this agreement, and look forward to working closely together with each other and the other ATP 855P participants to develop the exciting prospects offered in the emerging shale gas play in the Nappamerri Trough in southwest Queensland.

Yours sincerely,



**Reg Nelson**  
Managing Director, FAusIMM

**For more information contact**

**Corporate**

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**Investor Relations**

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