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HD **ICONIC GAS DEAL**  
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Icon **Energy** this week played host to its **Chinese** partners who visited to sign an extension of their 20-year gas supply deal.

Icon has agreed to supply Shantou SinoEnergy with 40 **million** tonnes of LNG over 20 years.

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The extension of the gas **sale** agreement to June 30, 2015 comes just over a week after an independent report found the **Gold** Coast-based explorer is sitting on a significant gas resource in the Cooper Basin.

The report by US consultancy DeGolyer McNaughton found Icon's ATP855 tenement in the Napamerri Trough had a best-estimate resource of at least 28 trillion cubic feet and a high estimate of 37.74 Tcf.

Icon holds a 35.1 per cent **stake** in the tenement, with partners Beach **Energy** holding 46.9 per cent and Chevron Australia 18 per cent.

Icon yesterday said its **Chinese** deal was contingent on it proving up P2 (proven and probable) reserves of LNG by June 30, 2015 and on Shantou SinoEnergy obtaining an import licence from the **Chinese** Government and building a receiving facility by the same date. Shareholders approved, sending Icon shares up 3.85 per cent to close at 13.5¢.

Icon's contract with the **Chinese** Government-backed Shantou SinoEnergy, signed in 2011, is worth up to \$30 **billion** and calls for LNG delivery to start in late 2016.

At the time of signing, the **company** said it was confident of securing gas from its own reserves, particularly ATP 855, which, it said, was "highly prospective".

Managing director Ray James said yesterday the independent report had confirmed the **company** was sitting on a valuable asset.

He said with demand for LNG in the Asia Pacific region set to jump from 175Mtpa in 2013 to 325Mtpa in 2025 Icon was well placed to meet some of this demand.

"To have a 28Tcf recoverable prospective resource booking with Icon's interest being 10Tcf is a significant step towards our primary objective of proving up 2Tcf of 2P reserves in ATP855," he said.

Mr James said the joint venture had completed drilling the sixth and final well in its initial drilling program. This will be followed by hydraulic stimulation and extended testing of four wells which is expected to begin this month.

CO

bchpet : Beach Energy Limited | socal : Chevron Corporation

IN

i1 : Energy | i13 : Crude Oil/Natural Gas | i1300003 : Crude Petroleum Extraction | iextra : Natural Gas/Oil Extraction

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