

ICON ENERGY LIMITED and Controlled Entities

Icon Energy Limited

ABN 61 058 454 569

FULL YEAR ACCOUNTS

For the year ended
30 June 2024

Icon Energy Limited

ABN 61 058 454 569

FULL YEAR ACCOUNTS

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DIRECTORS' REPORT

The Directors of Icon Energy Limited ("Icon Energy" or "the Company") present their report together with the consolidated financial statements of the Company and its controlled entities ("the Group" or "the Consolidated Entity") for the financial year ended 30 June 2024 and the auditor's report thereon. In order to comply with the provisions of the *Corporations Act 2001*, the Directors of Icon Energy report as follows:

PRINCIPAL ACTIVITIES

The principal activities of Icon Energy during the year related to the renewal application for ATP 855, which was due on 31 October 2022. After the Queensland Department of Resources (Department) refused to process the renewal, Icon appealed to the Supreme Court of Queensland. The Court's favourable ruling declared the refusal null and void, directing the Department to process the application. The renewal application is currently under review by the Department, and Icon Energy will announce the outcome once it is finalised.

DIRECTORS

The Directors of the Company who held office during or since the end of the year are set out below:

Name	Position	First Appointed	Number of Shares Held*
Stephen Michael Barry	Non-executive Chairman	Director since 05/01/1993 Retired on 08/09/2023	-
Raymond Swinburn James	Chairman Company Secretary	Director since 01/02/1993 Company Secretary since 21 October 2022	50,462,657
Jeffrey Marvin	Managing Director	Director since 31/03/2023 Managing Director since 06/10/2023	-
Peter Wilson	Non-executive Director	Director since 08/09/2023	-

*as at the date of this report

Icon's Chairman Stephen Barry retired from the Board after many years of service to the company on 8 September 2023. Icon would like to note and thank Mr Barry for his valued contribution made to the company. Mr Peter Wilson was appointed as director on 8 September 2023.

Details of the qualifications and experience, other directorships of listed entities and special responsibilities of Directors are set out below. Refer to table 3 of the Remuneration Report for Directors' interests in shares and performance rights.

Stephen Barry (Chairman, Independent Non-executive Director)

<i>Qualifications</i>	LLB University of Sydney, FAICD
<i>Experience:</i>	<p>Mr Stephen Barry served as a Director of Icon Energy Limited from 1993 until his resignation on 8 September 2023. He was also appointed as the Chairman of the Board on 18 December 2008.</p> <p>Stephen played a key role in shaping the Company's strategic direction. As a practicing solicitor, he brought extensive experience in joint venture and farmin agreements, along with a wealth of knowledge in commercial law and corporate litigation.</p> <p>Stephen has held no other Australian listed company directorships during the past three financial years. He is a Fellow of the Australian Institute of Company Directors.</p>
<i>Special duties:</i>	He was a member and Chairman of the Board's Remuneration Nominations and Succession Committee before his retirement.
<i>Current Appointments:</i>	Stephen has held no other Australian listed company directorships during the past three financial years.
<i>Director:</i>	Since 05/01/1993
<i>Retired:</i>	On 08/09/2023

Raymond James (Chairman, Non-executive Director, Company Secretary)

<i>Qualifications:</i>	BSc Physics (Geology, Maths) University of NSW, T.C. University of Sydney, Honorary Fellowship of Griffiths University Institute for Glycomics
<i>Experience:</i>	<p>Mr Ray James held the position of Managing Director of Icon Energy Limited and its subsidiaries from 1993 to 2019, where he played an essential role in its operations. Following this, he served as a Non-executive Director for the next three years. On 6 October 2023, Ray has been appointed by the board as the Chairman, continuing his commitment to the Company.</p> <p>Ray has over 40 years experience in the petroleum industry in Australia, USA, Indonesia, South East Asia, Middle East and Russia. He worked with Chevron in Perth and Houston from 1969-74 and</p>

with Gulf Oil from 1974-80. He was the Managing Director of Australian Hydrocarbons from 1980-81 and the Managing Director of Omega Oil from 1987-91.

Ray was a Director of Australian Petroleum Production & Exploration Association Ltd (APPEA) from 1999-2007 and Vice Chairman of APPEA from 2003-2005.

Ray was a Fellow of the Australian Institute of Company Directors and is past Vice Chairman of the Gold Coast Committee. In 2022 Ray was awarded an Honorary Fellowship of Griffiths University Institute for Glycomics.

Special Duties: Ray was a Chairman of the Board's Audit and Risk Management Committee.

Current Appointments: Ray has held no other Australian listed company directorships during the past three financial years.

Director: Since 01/02/1993

Chairman: Since 06/10/2023

Jeffrey Marvin (Managing Director)

Qualifications: BSc, Business Administration - Finance San Diego State University

Experience: Mr Jeffrey Marvin initially joined the Board of Icon Energy Limited as a Non-executive Director on 31 March 2023 and was appointed as the Managing Director on 6 October 2023.

He has over 25 years global experience in mineral resource project origination, financing and development. Jeff has international management and corporate governance experience with projects located in diverse international business climates.

Prior to joining Icon's Board, Jeff has worked across a range of resource projects including coal seam gas, mineral sands, gold and coal. He was a founding shareholder and executive of an Australian energy technology company which is a global leader in next-generation advanced recycling.

Special Duties: Jeff was a member of the Board's Remuneration Nominations and Succession Committee before his appointment as Managing Director.

Current Appointments: Jeff is currently a Non-executive director of Greenwing Resources Ltd. (ASX: GW1) a green metals company with graphite and lithium

projects in Madagascar and Argentina, respectively (since June 2015).

Director: Since 31/03/2023

Managing Director: Since 06/10/2023

Peter Wilson (Independent Non-executive Director)

Qualifications: Bradford Technical College, HTC Construction Management

Experience: Mr Peter Wilson was appointed to the Board on 8 September 2023 as a Non-executive Director of Icon Energy Limited.

Peter has over 42 years of experience in the international coal mining and mining contract industry and has held senior management positions including General Manager, Director and Chief Operating Officer at a number of mine operating and contracting companies.

During his career, Peter has worked in multiple jurisdictions including Australia, New Zealand, India, and Africa, and he has experience across a range of commodities including coking coal, heavy mineral sands and metalliferous mining.

More recently, Peter was engaged as a consultant on a Heavy Mineral Sands project in Namaqualand, South Africa, and is currently Operations Director at Mine2Port Limited, an Australian company with interests in coking coal, rail and port logistics projects in Africa and the United States of America.

Special Duties: Peter was a member of the Audit and Risk Management Committee.

Current Appointments: Peter is a Non-executive Director of UK AIM listed company Kazera Global Plc (LON: KZG) (since April 2023), Operations Director at Mine2Port Limited (Australia) (since February 2021) and Director/Owner at Herb Hero Pty Ltd (Australia) (since June 2018).

Director: Since 08/09/2023

REVIEW OF OPERATIONS

Icon Energy Limited submitted an application to the Queensland Department of Resources (the Department) for the renewal of ATP 855 which expired on 31 October 2022.

On 1 November 2022 the Department of Resources informed Icon that ATP 855 and the PCAs had expired and could not be renewed.

Icon filed an appeal to the Supreme Court of Queensland seeking to set aside that decision as being incorrect. The Supreme court in Queensland ruled in favour in Icon's appeal.

Icon Energy's application to renew ATP 855 is under assessment by the Department of Resources (DOR). DOR confirmed that even though the previous term for ATP 855 has ended, the authority remains valid while the renewal application for ATP 855 is under assessment. This is in accordance with section 83 of the Petroleum and Gas (Petroleum and Safety) Act 2004 (P&G Act). All relevant authorisations and obligations under the ATP, including the authorization to carry out activities under Chapter 2, Part 1, Division 1 of the P&G Act, remain in place during this period.

The ASX has advised Icon that until the assessment of ATP 855 is approved, the company will remain in suspension. The ASX has advised that the company can remain in suspension until January 2026 as long as it continues to adhere to all reporting requirements under the listing rules.

On 30 August 2024, Icon Energy Ltd, the holder of ATP 855, applied for a Petroleum Lease over the entire area of ATP 855, due to an amendment to the Regional Planning Interests Regulations 2014 (RPI Regulations) made on 1st August 2024. This Initial Development Plan (IDP) has been constructed to conform to the relevant sections of the RPI Regulations and the Petroleum and Gas (Production and Safety) Act 2004 (Petroleum Act). This IDP also conforms to the relevant provisions of the Greenhouse Gas Storage Act 2009 (GHG Act)

A new significant conventional gas resource has been found within extensive natural fractures proximal to faults. The discovery was recognized by the ATP 855 joint venture in 2014 and following further appraisal work, has become the focus of Icon's recent gas activities and is now the principal objective of the Later Work Program (LWP) submitted for grant of a PL over ATP 855. Previous exploration activities in ATP 855 have successfully discovered a very large unconventional tight, shale and basin centered gas resource which resulted in the grant of 8 Potential Commercial Areas (PCA 172-179). This unconventional gas resource will not be pursued as Icon has no further need for fracking.

The proposed development plan consists of the drilling of two wells in the first permit year followed by four wells for each of the remaining four permit years of the IDP period. 3D seismic is planned over the entire area of the PL to ensure that all the faults and associated fracture halos present in the PL can be identified and mapped. The plan has the dual objectives of; firstly, ensuring that initial production commences within two years of grant of the PL, and, secondly, developing the resource in a systematic manner that maximises economic return whilst minimising the impact of the operations on the environment and other land users. This plan is appropriate to ensure compliance with the PRI regulations and ensure minimal disturbance.

Icon is now waiting until the Petroleum Lease Application is approved by the Department of Resources of the Queensland Government for the Development Plan to proceed. Details of the plan will be released when it is approved.

Icon believes that if our lease is granted, the gas from the Keppel Gasfield in ATP 855, would support the transition to the Australian 2050 emissions standards while contributing to the anticipated gas shortfall on the east coast of Australia.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

ATP 855 Cooper-Eromanga Basin Queensland

- ATP 855 was due for renewal on 31 October 2022. Icon Energy submitted a renewal application to the Queensland Department of Resources on 4 October 2022. However, on 17 October 2022, the Acting Chief Executive's delegate refused to process the application, citing sections 82(1)(e) and 82(1)(f) of the Petroleum and Gas (Production and Safety) Act 2004 (P&G Act), which address capability criteria and other relevant matters. The Department notified Icon on 1 November 2022 that ATP 855 and the PCAs had expired, and further reasons for rejecting the renewal were provided on 8 February 2023.
- Icon Energy challenged this decision by filing an appeal with the Supreme Court of Queensland. The Court ruled in favor of Icon Energy, declaring the refusal to process the application null and void. The Court found that the application substantially complied with the requirements of the Act and ordered the Department to accept the application and cover the costs of the proceedings. The renewal application is still being processed by the Department of Resources, and Icon Energy will provide an update once the renewal outcome is finalised.
- On 30 August 2024, the Company applied for a Petroleum Lease over the entire area of ATP 855 due to an amendment to the Regional Planning Interests Regulations 2014 (RPI Regulations) made on 1st August 2024.

Corporate

- Icon Energy held the Company's 2023 Annual General Meeting on 28 November 2023 with all resolutions adopted.
- On 8 September 2023, the Board appointed a new non-executive director of the Company, Mr Peter Wilson. Mr Wilson has over 42 years of experience in the international coal mining and mining contract industry and has held senior management positions including General Manager, Director and Chief Operating Officer at a number of mine operating and contracting companies. During his career, Mr Wilson has worked in multiple jurisdictions including Australia, New Zealand, India, and Africa, and he has experience across a range of commodities including coking coal, heavy mineral sands and metalliferous mining. More recently, Mr Wilson was engaged as a consultant on a Heavy Mineral Sands project in Namaqualand, South Africa, and is currently Operations Director at Mine2Port Limited, an Australian company with interests in coking coal, rail and port logistics projects in Africa and the United States of America. Mr Wilson was also appointed a Non-Executive Director of UK AIM listed company Kazera Global Plc in April 2023.
- On 6 October 2023, Mr Raymond James was appointed Chairman of the company.
- On 6 October 2023, Jeff Marvin was appointed Managing Director.
- As announced on 12 January 2024, the company entered a binding term sheet with Consolidated Resources Pte Ltd (CR) to jointly pursue energy resource opportunities in the oil and gas sector.
- On 9 January 2024, Icon shares were suspended from quotation on the ASX because of the uncertainty of the decision for the renewal of ATP 855. The company will continue to release periodic disclosures to ensure that the market is fully informed under Listing Rule 3.1-3.1B while under suspension.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

- *Renewal of ATP855:* Renewal of ATP 855 has been a significant focus for Icon Energy.
- *Petroleum Lease Application:* Icon has applied for a Petroleum Lease (PL) over the entire area of ATP 855 (Keppel Gas Project) in accordance with the revised Regulations made on 2 August 2024. The application for a PL was submitted on 30th August 2024. The Timeframe allowed under the new regulations for the grant of a PL is two (2) years. Icon is confident that this can be achieved. The grant of a Production Lease (PL) will enable us to resume operations and relist Icon securities to the trading lists of the ASX.
- *Leadership Changes:* The recent appointments of Mr. Raymond James as Chairman and Mr. Jeff Marvin as Managing Director, alongside the addition of Mr. Peter Wilson to the Board, bring renewed leadership and strategic direction.

- *Financial Outlook:* We are focused on cost management and exploring several options to address financial backing for the Keppel Gas Project.

MATERIAL BUSINESS RISKS

There are two material business risks that are applicable.

Regulatory Risk

Obtaining the necessary approvals, licenses, and permits depends on the discretion of government authorities. Our business would suffer if our applications for exploration licenses are denied. We must also comply with specific ongoing and periodic conditions to maintain our mining and exploration tenements; failure to meet these conditions could negatively impact our operations and financial health. Currently Icon is waiting for the approval of application for PL as required under the Act.

Future Capital Raisings and Financial Risk

Our ongoing operations may necessitate significant additional financing beyond previous capital raises. We will need further funding to bring the Keppel Project into production. If equity financing is used, it would dilute existing shareholders and might occur at prices lower than the current market value. If we pursue debt financing, it may come with restrictive covenants that could hinder our operational flexibility and business strategy.

CORPORATE STRATEGIES AND FUTURE DEVELOPMENTS

The group will continue to pursue the renewal of ATP 855 under a PL application for the tenement.

FINANCIAL POSITION

The consolidated loss after tax for the Company and its controlled entities for the financial year ended 30 June 2024 was \$1,156,056 (2023: \$5,537,787 loss).

ROUNDING OF AMOUNTS

In accordance with ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191, amounts in the Directors' Report and Financial Report have been rounded off to the nearest dollar unless otherwise indicated

SHARES UNDER OPTION

The Company has no options or other convertible securities on issue at the date of this report.

DIVIDENDS

The Directors recommend that no dividend be paid by the Company. No dividends have been declared or paid by the Company since the end of the previous financial year (30 June 2023).

REMUNERATION REPORT

The Remuneration Report for the financial period which forms part of the Director's Report can be found on page 15 of this Annual Report.

COMPANY SECRETARY

Raymond James has been the Company Secretary since 21 October 2022. The details of qualifications and experience are set out on page 4.

MEETINGS OF DIRECTORS

During the financial period, fourteen meetings of Directors and six committee meetings were held. Attendances at these meetings by each Director were as follows:

	Directors Meetings		Audit and Risk Management Committee Meetings		Remuneration Nominations and Succession Committee Meetings	
	Held	Attended	Held	Attended	Held	Attended
R S James	14	14	2	2	-	-
S M Barry	3	3	-	-	4	4
J Marvin	14	14	-	-	4	4
P Wilson	11	11	2	2	-	-

ENVIRONMENTAL REGULATION

The Consolidated Entity's operations are subject to various environmental regulations. Further information on the Group's environmental performance can be found in the Sustainability section of the 2024 Annual Report.

During the year, Icon Energy obtained a determination from the Queensland Treasury regarding the surety required for ATP 855 and its Estimated Rehabilitation Coast (ERC). During the year, the Company has also lodged an ERC application with the Department of Environment and Science (DES) for its determination of the ERC. In August 2024, a decision was received that increased the ERC amount by \$8,711. Icon paid the additional amount in August 2024.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

DIRECTORS AND AUDITORS' INDEMNIFICATION

The Directors and Company Secretary are indemnified by the Company against any liability incurred in their capacity as an officer of the Company or a related body corporate to the maximum extent permitted by law. The Company has not paid any premiums in respect of any contract insuring the Directors of the Company against a liability for legal costs.

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Details of the nature of the liabilities covered in respect of Directors' and Officers' insurance policies are not disclosed as such disclosure is prohibited under the terms of the contracts. The total premium expense for the year was \$87,162 (30 June 2023: \$74,088).

AUDIT AND NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor (William Buck (Qld)) for audit and non-audit services during the year are disclosed in note 2 of the financial statements.

Icon Energy may decide to employ the external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the group are important.

The Board has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

There are no officers of the Company who are former audit partners of William Buck (Qld).

EVENTS AFTER THE BALANCE DATE

On 30 August 2024, the Company applied for a Petroleum Lease over the entire area of ATP 855 due to an amendment to the Regional Planning Interests Regulations 2014 (RPI Regulations) made on 1st August 2024.

Otherwise, there has not arisen in the interval between 30 June 2024 and up to date of this report, any item, transaction, or event of a material or unusual nature likely, in the opinion of the Directors, to affect substantially the operations or state of affairs of the Group in subsequent financial years.

**LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001**

The lead auditor's independence declaration is set out on page 22 and forms part of the Directors' Report for the period ended 30 June 2024. William Buck (Qld) continues in office in accordance with Section 327 of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Board of Directors of Icon Energy Limited.

A handwritten signature in black ink, appearing to read 'R S James', with a long horizontal flourish extending to the left.

R S James
Chairman
27 September 2024

A handwritten signature in black ink, appearing to read 'J R Marvin', with a large loop at the top and a horizontal flourish at the bottom.

J R Marvin
Managing Director
27 September 2024

Key Points

- No short-term incentives or long-term incentives were issued during the year.
- No performance rights have been issued to executives or staff which could vest in the future.
- No options were granted or exercised during the year.
- Directors' fees have been suspended since 1 October 2023.
- Total directors' fees for the year amounted to \$77,645, reflecting the suspension from 1 October 2023.
- The 2023 Remuneration Report received 94.77% approval at 2023 AGM.

The Directors of Icon Energy Limited present this Remuneration Report for the Consolidated Entity for the year ended 30 June 2024, outlining key aspects of the Group's remuneration policy and framework, and remuneration awarded to Directors and other Key Management Personnel (KMP) for the reporting period.

The Remuneration Report forms part of the Directors' Report. The information provided in this report has been prepared in accordance with section 300A of the *Corporations Act 2001 (Cth)* and has been audited as required by the Act.

In this report, KMP are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

Key management personnel covered in this report:

Name	Position Held	Period as KMP
Non-Executive Directors		
Stephen Barry	Chairman	Retired 8 September 2023
Ray James	Director Company Secretary Chairman	Full Year Full Year Appointed 6 October 2023
Jeffrey Marvin	Director Managing Director	Full Year Appointed 6 October 2023
Peter Wilson	Non-executive Director	Appointed 8 September 2023

Mr Peter Wilson was appointed as director on 8 September 2023, and Mr Stephen Barry resigned from the position of Chairman and a member of the Board on 8 September 2023 due to his current professional commitments as a practicing lawyer.

1. ROLE OF THE REMUNERATION, NOMINATIONS AND SUCCESSION COMMITTEE

Previously, our Remuneration, Nominations and Succession Committee, comprised of independent non-executive directors, was responsible for making recommendations to the Board on remuneration policies. The Committee, where necessary, obtained independent advice on the remuneration

packages offered to potential employees. The Committee ensured that remuneration packages were competitive, properly aligned with the employees' duties and responsibilities, that remuneration was competitive in attracting, retaining and motivating people of the highest quality and that remuneration practices were transparent and easily understood.

Given the company's size, the Remuneration, Nominations, and Succession Committee has been dissolved, and the Board has assumed these responsibilities in February 2024. The Board now oversees remuneration policies, the nomination and appointment of directors, and the evaluation of senior executives' performance, continuing to adhere to our governance principles. For more information on our governance framework, please refer to the Corporate Governance Statement.

2. REMUNERATION FRAMEWORK

The Company's Remuneration framework is designed to ensure:

- *Competitive Base Remuneration:* Executive and senior managers receive base remuneration that is competitive and reflective of market-based levels; and
- *Performance-linked Incentives:* Bonuses and other incentives are awarded to employees, executives and senior managers who perform well in their duties. Such incentives are subject to Board approval, and in the case of proposed issues of shares or other securities to Directors must also be approved by shareholders.

3. METHODOLOGY USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

Non-Executive Directors

On appointment to the Board, all Directors agree to terms of their appointment as detailed in a letter of appointment. This letter outlines the applicable remuneration, as well as responsibilities, compliance with the Company's corporate policies, access to independent professional advice, and confidentiality obligations.

Fees paid to Non-Executive Directors reflect the demands made on, and responsibilities of, such directors. Non-Executive Directors' fees are reviewed annually by the Board. In 2018, the Board reduced base fees by 20% due to a low share price. As a result, Non-Executive Directors were paid a base fee of \$56,000 per annum together with the payment of additional fees to Directors serving on Board Committees to recognise their contribution to the Company together with superannuation. The Chairman's remuneration was set at \$78,480 per annum plus Committee fees and superannuation. An additional \$6,000 per annum per Committee was paid to Committee members and \$6,800 per annum per Committee for the Chairmen of the Committees.

Since Mr James' service agreement as Managing Director expired on 31 December 2019, Mr James remained a director of the company with additional duties as directed by the Board. Therefore, the Board determined a remuneration for Mr James of \$111,124 per annum plus superannuation.

However, as of 1 October 2023, the Board voluntarily suspended Directors' fees. Consequently, no Directors' fees have been accrued or paid since 1 October 2023.

The maximum total amount available for payment of all Non-Executive Director fees remains at \$500,000 per annum, as approved by shareholders at the 2010 Annual General Meeting.

For the financial year ending 30 June 2024, the total amount of Directors' fees accrued and paid was \$77,645 reflecting the suspension of fees from 1 October 2023. Non-Executive Directors do not receive performance-based remuneration.

During the year ended 30 June 2024, the Executive Director transitioned from being a Non-Executive director after the Board voluntarily ceased director fees. The Board will review the remuneration considerations of the Executive Director when the company has more available funding.

At the date of this report, one Director was considered to be executive.

Other Key Management Personnel

Other Key Management Personnel may be employed by the Company under a service agreement. They are remunerated through a combination of:

- Fixed Remuneration (FR): A set salary that reflects their role and responsibilities; and
- Bonus or Other Incentives: Short-term and long-term incentives for outstanding performance determined at the discretion of the Board.

In November 2017, the Company's Performance Rights Plan ("Plan") expired. The Plan provided for the granting of appropriately structured short and long-term incentives to employees (including Executive Directors) in addition to their fixed remuneration. Since the expiration of the Plan, the Board decided not to seek shareholder approval for any new plan.

At the date of this report, no employees are considered to be other key management personnel.

Furthermore, no remuneration consultants were used by the Company during the year ended 30 June 2024 or in the prior year.

4. FIXED REMUNERATION

Fixed remuneration consists of the base remuneration calculated on a total cost basis and includes FBT charges on employee benefits, if relevant, as well as contributions to superannuation funds. Remuneration levels are reviewed annually to ensure they remain competitive.

5. SHORT-TERM INCENTIVES

For the 2023-24 financial year, the Company did not issue Short-term Incentives (STI).

6. LONG-TERM INCENTIVES

For the 2023-24 financial year, the Company did not issue Long-term Incentives (LTI).

7. SERVICE AGREEMENTS

The Company's policy for service agreements with Executive and Senior Managers stipulates that these agreements should be of a limited term and include termination clauses ranging from two to twelve months. In the event of termination, the Company may make a payment in lieu of notice equivalent to the base amount prescribed in the service agreement for a relevant notice period. For Executive Directors, such payments are subject to the limits prescribed by section 200G of the *Corporations Act 2001*, or as determined by the Board, subject to shareholder approval at the time.

In addition to the payment in lieu of notice, accrued statutory benefits and superannuation benefits are payable.

During the year ended 30 June 2024, there were no other Key Management Personnel. Consequently, there were no service agreements/contracts in force during the 2023/2024 financial year.

8. REMUNERATION OF EACH MEMBER OF KEY MANAGEMENT PERSONNEL AND DIRECTORS FOR THE CONSOLIDATED ENTITY

Table 1: Directors and Key Management Personnel Remuneration for the year ended 30 June 2024

	Short Term		Post-employment			
	Salaries & Fees (i)	Other Benefits	Superannuation	Long-term Employee Benefits	Termination Benefits	Total
	\$	\$	\$	\$		\$
Non-executive Directors						
Stephen Barry(ii)	21,200	-	2,332	-	-	23,532
Ray James	27,781	-	3,056	-	-	30,837
Jeffrey Marvin (iii)	17,000	-	1,949	-	-	18,949
Peter Wilson (iv)	3,898	-	429	-	-	4,327
Total	69,879	-	7,766	-	-	77,645

(i) As of 1 October 2023, the Board voluntarily suspended Directors' fees. Consequently, no Directors' fees have been accrued or paid since 1 October 2023.

(ii) This represents Mr Barry's remuneration for the period to 8 September 2023.

(iii) This represents Mr Marvin's remuneration as a Non-Executive Director prior to his appointment as Managing Director.

(iv) Mr Wilson was appointed as a Non-Executive Director on 8 September 2023.

Table 2: Directors and Key Management Personnel Remuneration for the year ended 30 June 2023

	Short Term		Post-employment			
	Salaries & Fees (i)	Other Benefits (ii)	Superannuation	Long-term Employee Benefits (iii)	Termination Benefits (iv)	Total
	\$	\$	\$	\$	\$	\$
Non-executive Directors						
Stephen Barry	84,800	-	8,904	-	-	93,704
Keith Hillless	31,400	-	3,297	-	-	34,697
Ray James	111,124	-	11,668	-	-	122,792
Jeffrey Marvin(v)	15,818	-	1,661	-	-	17,479
Other Key Management Personnel						
Natalia Fraser (vi)	32,411	668	3,600	495	58,346	95,520
Total	275,553	668	29,130	495	58,346	364,192

(i) Salaries & Fees include annual leave paid during the year.

(ii) Other Benefits represent accrued annual leave during the year.

(iii) Long-term employee benefits represent only the long service leave accrued during the year.

(iv) Termination Benefits include annual and long service leave paid out at termination.

(v) Mr Marvin was appointed as a Non-Executive Director on 31 March 2023. The amounts represent accrued Directors' Fees and Super during the reporting period.

(vi) This represents Ms Fraser's remuneration for the period to 27 September 2022.

9. DIRECTORS' AND SENIOR MANAGERMENTS' INTERESTS

As at 30 June 2024, the interests of the Directors and senior management or entities associated with them in shares and options of Icon Energy Limited are:

Shareholdings

The movement during the year in the number of ordinary shares in Icon Energy Limited held directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

Table 3: Directors' and Executive and Senior Manager' Interests

2024	Balance 1.07.2023	Employee Performance Rights Plan	Purchases	Options Exercised	Sold	Other changes	Balance 30.06.2024
	Number	Number	Number	Number	Number	Number	Number
Directors							
Stephen Barry*	2,480,389	-	-	-	-	(2,480,389)	-
Raymond James*	50,462,657	-	-	-	-	-	50,462,657
Jeffrey Marvin	-	-	-	-	-	-	-
Peter Wilson	-	-	-	-	-	-	-
	52,943,046	-	-	-	-	(2,480,389)	50,462,657

*These KMP's shareholdings include indirect shareholdings held by their spouse and/or related corporations.

2023	Balance 1.07.2022	Employee Performance Rights Plan	Purchases	Options Exercised	Sold	Other changes	Balance 30.06.2023
	Number	Number	Number	Number	Number	Number	Number
Directors							
Stephen Barry*	2,480,389	-	-	-	-	-	2,480,389
Keith Hillless	139,840	-	-	-	-	(139,840)	-
Raymond James*	37,846,993	-	-	12,615,664	-	-	50,462,657
Jeffrey Marvin	-	-	-	-	-	-	-
Other Key Management Personnel							
Natalia Fraser	359,661	-	-	-	-	(359,661)	-
	40,826,883	-	-	12,615,664	-	(499,501)	52,943,046

*These KMP's shareholdings include indirect shareholdings held by their spouse and/or related corporations.

Transactions with Directors and Director Related Entities

During the year ended 30 June 2024, the Company has signed a month-to-month lease agreement for its office building with an entity in which Mr Raymond James has a controlling interest. The lease commenced on 8 December 2023. The terms of the lease are more favourable to the Group compared to what would be available from unrelated third parties.

During the year ended 30 June 2023, Mr Raymond James, a Director of the Company, signed a loan agreement for the amount of \$520,000 to the Company on an interest-free unsecured loan for 2.5 years expiring 13 September 2025.

10. SHARE OPTIONS

Options Granted to Directors and Key Management Personnel of the Company

No options were issued or granted to, or exercised by, Directors and other KMP of the Company during the year.

Options Held by Key Management Personnel

During the financial year ended 30 June 2024, no Key Management Personnel held any options, directly or indirectly.

The movement during the year ended 30 June 2023 in the number of options in Icon Energy Limited held directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

Table 4: Options held by Directors and Executive and Senior Managers

2023	Balance 1.07.2022	Employee Performance Rights Plan	Purchases	Options Exercised	Options Expired	Other changes	Balance 30.06.2023
	Number	Number	Number	Number	Number	Number	Number
Directors							
Stephen Barry*	826,796	-	-	-	(826,796)	-	-
Keith Hillless	46,613	-	-	-	(46,613)	-	-
Raymond James*	12,615,664	-	-	(12,615,664)	-	-	-
Jeffrey Marvin	-	-	-	-	-	-	-
Other Key Management Personnel							
Natalia Fraser	119,887	-	-	-	(119,887)	-	-
	13,608,960	-	-	(12,615,664)	(993,296)	-	-

*These KMP's options include indirect shareholdings held by their spouse and/or related corporations.

At the Company's 2023 Annual General Meeting (AGM) 94.77% of votes cast in relation to the resolution to adopt the 2023 Remuneration Report were cast in favour of the resolution. There were no comments made on the Remuneration Report at that AGM.

The following table shows the Company's Profit/Loss (after tax) for the current year as well as previous last four years.

Table 5: Company's Profit/Loss (after tax)

	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24
Closing Share Price	0.008	0.014	0.014	0.004	0.006
Dividends paid	-	-	-	-	-
Profit (Loss) after tax	(\$2,949,536)	(\$6,919,302)	(\$1,468,076)	(\$5,537,787)	(\$1,156,056)

End of Remuneration Report (audited)

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Icon Energy Limited

As lead auditor for the audit of Icon Energy Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Icon Energy Limited and the entities it controlled during the year.

William Buck

William Buck (Qld)
ABN 21 559 713 106

M. Monaghan

M J Monaghan
Partner
Brisbane, 27 September 2024

Independent auditor's report to the members of Icon Energy Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Icon Energy Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$1,156,056 during the year ended 30 June 2024 and had net cash outflows from operations of \$1,049,919, and as of that date, the Group's current liabilities exceeded its current assets by \$3,671,489. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Restoration provision	Area of focus (refer also to note 9)	How our audit addressed the key audit matter
	<p>Judgement is required in the determination of the rehabilitation provision under AASB 137 Provisions, Contingent Liabilities and Contingent Assets.</p> <p>Key assumptions include the amount and timing of the costs involved, inflation rates, and discount rates.</p> <p>Due to the significance of this liability and the subjectivity involved in determining the valuation of the restoration provision, this is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> — agreeing rehabilitation cost estimates to underlying support, including reports from management's external expert; — assessing the independence, competence and objectivity of the expert used by management — testing the mathematical accuracy of the rehabilitation provision. — Assessing the adequacy of the Group's disclosures in respect of the restoration provision.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The financial report of Icon Energy Limited, for the year ended 30 June 2023, was audited by another auditor who expressed an unmodified opinion with a material uncertainty related to going concern on that report on 29 September 2023.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report



Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Icon Energy Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck (Qld)
ABN 21 559 713 106

M. Monaghan

M J Monaghan
Partner

Brisbane, 27 September 2024

DIRECTORS' DECLARATION

The Directors of the Company declare that:

- 1) The financial statements and notes, as set out on pages 28 to 47, are in accordance with the *Corporations Act 2001* and other mandatory professional reporting requirements and:
 - a) comply with Accounting Standards, with International Financial Reporting Standards, as stated in note 1 to the financial statements and *Corporations Regulations 2001*; and
 - b) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the consolidated entity;
- 2) The Board received a Declaration in accordance with the Section 295A of the *Corporations Act 2001*, that:
 - a) the financial records of the Company for the financial period have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b) the financial statements and the accompanying notes referred to in Section 295(3)(b) of the *Corporations Act 2001*, for the financial year comply with the accounting standards;
 - c) the financial statements and notes for the financial period comply with the Accounting Standards; and
 - d) the financial statements and notes for the financial period give a true and fair view.
- 3) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they come due and payable;
- 4) The consolidated entity disclosure statement on page 48 is true and correct.

Signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read "R James", with a long horizontal line extending to the right.

Raymond James
Director
27 September 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME **FOR THE YEAR ENDED 30 JUNE 2024**

	NOTES	30 June 2024 \$	30 June 2023 \$
<i>Continuing operations</i>			
Interest received and other income	2a	164,720	40,726
Administration expenses		(550,349)	(840,618)
Depreciation and amortisation expense		(2,272)	(116,863)
Employee benefits and expenses		(229,894)	(239,246)
Occupancy expense		(37,187)	(42,922)
Profit on sale of current assets	2b	-	5,535
Asset write off	2c	(10,099)	(3,937,029)
Tenement expenditure		(228,649)	(392,249)
Finance costs		(262,326)	(15,121)
Loss before income tax		(1,156,056)	(5,537,787)
Income tax expense	3	-	-
Loss for the year		(1,156,056)	(5,537,787)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
Total other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year		(1,156,056)	(5,537,787)
Earnings per share			
<i>From continuing operations</i>			
Basic and diluted loss per share (cents per share)	12	(0.15)	(0.72)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	NOTES	30 June 2024 \$	30 June 2023 \$
CURRENT ASSETS			
Cash and cash equivalents	5	448,747	1,480,933
Trade and other receivables		9,948	57,792
Prepayments		263,749	103,680
Performance guarantee bonds		743,481	756,220
TOTAL CURRENT ASSETS		1,465,925	2,398,625
NON-CURRENT ASSETS			
Property, plant and equipment		5,321	13,975
TOTAL NON-CURRENT ASSETS		5,321	13,975
TOTAL ASSETS		1,471,246	2,412,600
CURRENT LIABILITIES			
Trade and other payables		172,693	177,453
Employee benefits		9,879	52,743
Provisions	9	4,954,842	4,746,017
TOTAL CURRENT LIABILITIES		5,137,414	4,976,213
NON-CURRENT LIABILITIES			
Non-interest bearing borrowings	4d, 8	445,389	393,458
TOTAL NON-CURRENT LIABILITIES		445,389	393,458
TOTAL LIABILITIES		5,582,803	5,369,671
NET ASSETS		(4,111,557)	(2,957,071)
EQUITY			
Issued capital	10	104,116,869	104,116,869
Contributed capital		142,673	141,103
Accumulated losses		(108,371,099)	(107,215,043)
TOTAL EQUITY		(4,111,557)	(2,957,071)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	Ordinary Share Capital (Note 10) \$	Accumulated Losses \$	Contributed Capital \$	Total \$
Balance 1 July 2022	103,458,324	(101,677,256)	-	1,781,068
Total comprehensive income:			-	
Loss for the year	-	(5,537,787)	-	(5,537,787)
Other comprehensive loss	-	-	-	-
Total comprehensive loss for the year	-	(5,537,787)	-	(5,537,787)
Transactions with owners in their capacity as owners:				
Shares issued	662,184	-	-	662,184
Share issue costs	(3,639)	-	-	(3,639)
Contributed capital	-	-	141,103	141,103
Total transactions with owners	658,545	-	141,103	799,648
Balance at 30 June 2023 - attributable to owners of parent entity	104,116,869	(107,215,043)	141,103	(2,957,071)
Balance 1 July 2023	104,116,869	(107,215,043)	141,103	(2,957,071)
Total comprehensive income:			-	
Loss for the year	-	(1,156,056)	-	(1,156,056)
Other comprehensive loss	-	-	-	-
Total comprehensive loss for the year	-	(1,156,056)	-	(1,156,056)
Transactions with owners in their capacity as owners:				
Contributed capital	-	-	1,570	1,570
Total transactions with owners	-	-	1,570	1,570
Balance at 30 June 2024 - attributable to owners of parent entity	104,116,869	(108,371,099)	142,673	(4,111,557)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	NOTES		
		30 June 2024	30 June 2023
		\$	\$
		Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		120,000	4,268
Cash payments to suppliers and employees		(807,487)	(1,124,202)
Interest received		42,220	35,409
Tenement expenditure		(195,827)	(415,997)
Interest expense		(208,825)	(1,226)
Net cash used in operating activities	13	(1,049,919)	(1,501,747)
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Redemption of financial assets		21,450	-
Payments for property, plant & equipment		(3,717)	-
Net cash used in investment activities		17,733	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	662,184
Capital raising costs		-	(3,639)
Repayments of lease liabilities	7	-	(41,315)
Proceeds from borrowings	4d	-	520,000
Net cash from financing activities		-	1,137,230
Net increase/(decrease) in cash and cash equivalents held		(1,032,186)	(364,517)
Cash and cash equivalents at beginning of the financial year		1,480,933	1,845,450
Cash and cash equivalents at the end of the financial year	5	448,747	1,480,933

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1 - MATERIAL ACCOUNTING POLICY INFORMATION

Icon Energy Limited is a listed public company, incorporated and domiciled in Australia.

The Company's registered office is located at Level 3, 2 Corporate Court, Bundall Queensland 4217 and principal place of business is Unit 2/3 William Banks Drive, Burleigh Heads Queensland 4220.

The financial statements cover Icon Energy Limited (the "Company") and its controlled entities as a Consolidated Entity (together referred to as the "Consolidated Entity" or the "Group") for the year ended 30 June 2024 and were authorised for issue in accordance with a resolution of the Board of Directors on 27 September 2024.

The Group is a for-profit entity, with the primary activity during the year related to the renewal of ATP 855.

The consolidated financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial statements of Icon Energy Limited and its controlled entities comply with all International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board.

The financial statements have been prepared on an accrual and historical cost basis, except for provisions that have been measured at the present value of board of directors' best estimate of the expenditure required to settle the present obligation at the end of the reporting period. All amounts are presented in Australian dollars, unless otherwise noted. This is also the functional currency of the parent.

Details of Icon Energy Limited material accounting policies are included in Note 22.

Going concern

It is a requirement of the Australian Accounting Standards, that 'when preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, the entity shall disclose those uncertainties.

The 30 June 2024 end of year financial statements have been prepared on a going concern basis as management do not intend to liquidate the entity nor cease operations and have determined that the Company does not meet the threshold of having no realistic alternative but to do so.

The going concern basis of preparation contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business and at the amounts stated in the financial report.

The Group recorded an operating loss for the year ended 30 June 2024 of \$1,156,056 (2023: \$5,537,787) and net operating cash outflows for the 12 months ended 30 June 2024 was \$1,049,919 (2023: \$1,501,747). The Group's current liabilities exceeded its current assets by \$3,671,489. These conditions indicate there are material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern, and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Significant events and critical assumptions impacting the directors' assessment of going concern include:

- **Renewal of ATP 855:** On 4 October 2022, the Company applied to the Queensland Department of Resources (Department) to renew ATP 855 (Renewal Application). The Department initially rejected this application on 17 October 2022. In response, the Company sought judicial review of the decision, and on 5 September 2023, the Supreme Court of Queensland ruled in the Company's favor. The Court directed the Department to process the renewal application. The renewal application is currently under review by the Department.
- **Decommissioning and Rehabilitation Costs:** The Company has estimated that the cost for decommissioning and rehabilitation related to ATP 855 is \$4,954,842. The critical assumption used by the directors is that neither the Department of Resources nor the Department of Environment & Science will seek the commencement of outstanding decommissioning or rehabilitation requirements in respect to ATP 855 before the outcome of the renewal application is determined.
- **Likelihood of Renewal Success:** The Directors assess the likelihood of a successful outcome for the Renewal Application to be no less than 50%. The Directors are confident that the Company is being able to meet all the necessary requirements set forth by the Petroleum and Gas (Production and Safety) Act 2004.
- **Additional Funding:** The Directors believe that the Company can raise additional capital to support its operations. Should ATP 855 be renewed, the Directors anticipate raising funding through a capital raising or by partnering with a farm-out partner. If the renewal application is unsuccessful, the Directors will explore alternative options, including deferring rehabilitation work and pursuing further legal actions, given the estimated value of resources in the tenement.
- **Support from Related Parties:** The Directors also believe that further support can be provided by related parties if required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1 - MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

- **Receipt of Additional Funding:** The Chairman has indicated he will offer additional support to be received in 3 tranches of \$300,000 over the next 12 months as a non-interest bearing, unsecured loan with an option to convert the loan to Icon's securities.

The reliance on future funding and the uncertainty surrounding the renewal of ATP 855 represent material uncertainties that could significantly impact the Group's ability to continue as a going concern. Consequently, these uncertainties may affect the realisation of assets and settlement of liabilities in the normal course of business and at the amounts stated in these financial statements.

The end of year financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that may be necessary should the Company not be able to continue as a going concern.

NOTE 2 - LOSS FROM OPERATING ACTIVITIES

Loss from operating activities before income tax includes the following items:

a. Other income

Interest received
Refund - legal fees

b. Gain on sale of current assets

Proceeds on disposal of inventory
Written down value of inventory

c. Asset write off

Exploration and evaluation asset write off
Plant and equipment write off

d. Other expenses

Superannuation
Audit and review of financial statements - Crowe
Audit and review of financial statements - William Buck
Tax advisory and other services - William Buck

CONSOLIDATED ENTITY	
30 June 2024	30 June 2023
\$	\$
44,720	40,726
120,000	-
164,720	40,726
-	5,535
-	-
-	5,535
-	3,937,029
10,099	-
10,099	3,937,029
22,895	21,034
-	64,700
53,610	-
8,305	-

NOTE 3 - INCOME TAX EXPENSE

Loss before tax expense

Prima facie tax payable on loss before income tax at 30% (2023: 30%)

Increase/(decrease) in income tax expense due to:

Non deductible expenses
Deferred tax benefits not brought to account
Income Tax attributable to loss before tax

(1,156,056)	(5,537,787)
(346,817)	(1,661,336)
-	-
346,817	1,661,336
-	-

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the tax benefits.

Tax losses

Potential tax benefit

Temporary differences

Other
Provisions
Transfer to Deferred Tax Asset
Potential tax benefit

Total deferred tax benefits not brought to account

69,462,201	68,061,959
20,838,660	20,418,588
81,445	66,971
4,964,728	4,851,736
1,495,665	1,867,314
1,962,551	2,035,806
22,801,212	22,454,394

Deferred Tax Liabilities

Mining and exploration costs
Transfer to Deferred Tax Asset
Total deferred tax liabilities not brought to account

Total deferred tax assets not brought to account - net

(1,495,665)	(1,867,314)
1,495,665	1,867,314
-	-
22,801,212	22,454,394

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 4 - KEY MANAGEMENT PERSONNEL REMUNERATION

		CONSOLIDATED ENTITY	
		30 June 2024	30 June 2023
		\$	\$
(a)	Key management personnel compensation comprised the following:		
	• Short term employee benefits	69,879	276,221
	• Long term benefits	-	495
	• Post employment benefits	7,766	29,130
	• Termination benefits	-	58,346
		77,645	364,192

Remuneration of Directors is disclosed in the administration expenses within the Consolidated Statement of Profit or Loss and other Comprehensive Income whereas employee remuneration is within the employee benefits and expenses.

- (b) **Performance rights provided as remuneration**
There were no performance rights granted as remuneration during the period ended 30 June 2024 (30 June 2023: Nil).

Performance rights holdings

There were no performance rights granted under the executive short-term and long-term incentive scheme that were held during the financial year by Key Management Personnel during the period ended 30 June 2024 (30 June 2023: Nil).

- (c) **Transactions with Directors and Director Related Entities**

Professional fees:

Professional fees paid in the ordinary course of business to Herb Hero Pty Ltd, a firm which Mr. P Wilson has a controlling interest.

17,125	-
--------	---

There was no outstanding amount included in the total above as at 30 June 2024 (30 June 2023: Nil).

Lease Agreement:

The Group has a month-to-month lease agreement for its office building with an entity in which Mr. R. James has a controlling interest. The lease commenced on 8 December 2023.

Under the lease agreement, no rent is payable by the Company. The Company is responsible for all outgoings associated with the leased premises, including utility costs, property taxes, and maintenance expenses.

For the year ended 30 June 2024, the Company incurred outgoings and maintenance expenses totaling \$1,008.42 related to this lease.

The terms of the lease are more favorable to the Group compared to what would be available from unrelated third parties.

There was no outstanding amount related to the lease as at 30 June 2024.

- (d) **Loans from Directors** NOTE

Balance at beginning of the year	393,458	-
Loans advanced	-	378,897
less: loan re-assessment	(1,570)	-
Interest expense (included in finance cost)	53,501	14,561
Balance at the end of the year	445,389	393,458

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On 13 March 2023, Raymond James, a Director of the Company, signed a loan agreement for the amount of \$520,000 to the Company on an interest-free unsecured loan for 2.5 years expiring 13 September 2025.

The loan is initially recognised at fair value in accordance with *AASB 9 Financial Instruments*. This is measured as the present value of all future cash flows, discounted using a standard business unsecured bank rate. The difference between fair value at initial recognition and the associated transaction cost is recognised as contributed equity in the Consolidated Statement of Financial Position. Loan is subsequently measured at amortised cost. The increase in the carrying amount of the loan due to the passage of time is recognised as finance cost in profit or loss.

NOTE 5 - CASH AND CASH EQUIVALENTS

Cash on hand	45	7
Cash at bank	448,702	1,480,927
	448,747	1,480,933

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 6 - EXPLORATION AND EVALUATION EXPENDITURE

CONSOLIDATED ENTITY	
30 June 2024	30 June 2023
\$	\$

Exploration and Evaluation expenditure at cost

-	-
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Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated Entity

Balance at beginning of the year	-	4,296,230
Increase/(decrease) in the restoration asset	-	(285,955)
Less: Depreciation of restoration asset	-	(73,246)
Less: Exploration and evaluation asset write off	-	(3,937,029)
Balance at the end of the year	-	-

Exploration and evaluation expenditure is only carried forward if it is expected to be recovered which is dependent on the successful development and commercial exploration or sale of area of interest.

At each reporting date, the Directors undertake an assessment of the carrying amount of its explorations and evaluation assets. During the last reporting period, the Directors identified that as a result of ATP 855 expiring on 1 November 2022, the exploration and evaluation asset ATP 855 that was recorded as a non-current asset, had to be completely written off in accordance with the Australian Accounting Standard AASB 6 *Exploration and Evaluation of Mineral Resources*. Therefore, an exploration asset write off totalling \$3,937,029 was recognised in the statement of profit or loss as at 30 June 2023.

NOTE 7 - LEASES

This note provides information for leases where the group is a lessee.

The consolidated statement of financial position shows the following amounts relating to leases:

Right-of-use asset - Building

Balance at beginning of the year	-	37,905
Depreciation charge for the year	-	(37,905)
Reassessment to right-of-use assets	-	-
Balance at the end of the year	-	-

Lease liabilities

Current	-	-
Non-current	-	-
	-	-

The consolidated statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets (included in depreciation expenses)

Building	-	37,905
	-	37,905

Interest expense (included in finance cost)	-	560
The total cash outflow for leases	-	41,315

The Group has a month-to-month lease agreement for its office building with an entity in which Mr. R. James, a director of the Company, has a controlling interest. The lease commenced on 8 December 2023. Under the terms of the lease agreement, no rent is payable by the Group. The Group is responsible for all outgoing associated with the leased premises.

In accordance with AASB 16 *Leases*, due to its short-term duration this lease is not recognised on the Statement of Financial Position. However, the related outgoing are recorded as expenses in the period in which they are incurred.

For the year ended 30 June 2024, the Group incurred outgoing and maintenance expenses totalling \$1,008.42 related to this lease. These costs are included under Occupancy expense in the Statement of Profit or Loss and Other Comprehensive Income.

Given the month-to-month nature of the lease, there are no future minimum lease commitments beyond the current month.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 8 - NON-INTEREST BEARING BORROWINGS

Non-current unsecured non-interest bearing borrowing is a loan from related party. Further information relating to loans from related parties is set out in note 4(d).

Consolidated Entity	NOTE	CONSOLIDATED ENTITY	
		30 June 2024	30 June 2023
Non-interest bearing borrowings - unsecured		\$	\$
Current		-	-
Non-current	4	445,389	393,458
		445,389	393,458

NOTE 9 - PROVISIONS

Restoration provision

Restoration provision represents the present value of estimated costs for the rehabilitation ATP 855.

The Directors base their judgements, estimates and assumptions on historical and on other various factors, including expectations of future events, which they believe are reasonable under the circumstances.

The group engaged an independent expert to assist in the calculation of the estimated costs of restoration.

Movements in carrying amounts

Movements in the carrying amounts for each class of provision between the beginning and the end of the current financial year:

Consolidated Entity

Restoration provision

Current

Balance at beginning of the year	4,746,017	-
Charged to profit or loss:		
- unwinding of discount	208,825	-
Reclassification from non-current provision	-	4,255,166
Increase/(decrease) in the restoration provision	-	490,851
Balance at end of the year	4,954,842	4,746,017

Non-Current

Balance at beginning of the year	-	5,031,976
Reclassification to current provision	-	(4,255,166)
Increase/(decrease) in the restoration provision	-	(776,810)
Balance at end of the year	-	-

At each reporting date, the Directors review the classification of restoration provision into current or non-current and adjust the amount of the provision to reflect the best estimate.

As a result of ATP 855 expiring on 1 November 2022, and the Group not having an unconditional right to defer settlement of the liability for at least twelve months after the reporting period, the Restoration Provision in respect to ATP 855 of \$4,255,166 was reclassified from non-current to current liabilities in accordance with the Australian Accounting Standard *AASB 101 Presentation of Financial Statements*. Should renewal be granted, the Group will have the ability to defer the restoration expenditure.

The increase in the carrying amount of the provision due to the passage of time, known as the unwinding of the discount, amounted to \$208,825 during the year. This unwinding interest is recognised as an interest expense in the Statement of Profit or Loss and Other Comprehensive Income. This reflects the time value of money associated with the discounted provision.

As at 30 June 2024, the current restoration provision of \$4,954,842 reflects the present value of estimated costs for rehabilitation in accordance with *AASB 137*.

NOTE 10 - ISSUED CAPITAL

a. Ordinary Shares

Authorised and Issued Share Capital

Issued share capital 768,013,667 (30 June 2023: 768,013,667) fully paid, no par value ordinary shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 10 - ISSUED CAPITAL (Continued)

	30 June 2024		30 June 2023	
	Number of shares	\$	Number of shares	\$
Balance at beginning of the year	768,013,667	104,116,869	754,769,990	103,458,324
Shares issued during the period	-	-	13,243,677	662,184
Less: Share issue costs	-	-	-	(3,639)
Balance at the end of the year	768,013,667	104,116,869	768,013,667	104,116,869

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at shareholders' meetings. The Consolidated Entity did not pay a dividend during the year ended 30 June 2024, nor has any dividend been proposed up to the reporting date (30 June 2023: nil). In the event of winding up the Company, all shareholders participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

b. Options

	30 June 2024		30 June 2023	
	Number of options	\$	Number of options	\$
Balance at beginning of the year	-	-	97,137,552	4,856,878
Exercise of listed options - September 2022	-	-	(13,243,677)	(662,184)
Expiry of listed options - September 2022	-	-	(83,893,875)	(4,194,694)
	-	-	-	-

In September 2022, a total of 13,243,677 listed options were exercised raising a total of \$662,184.

During the year ended 30 June 2024 no options were issued (30 June 2023: Nil). The Consolidated Entity has no options on issue at the end of 30 June 2024.

NOTE 11 - SHARE BASED PAYMENTS

There were no share based payment during the year ended 30 June 2024 and 30 June 2023.

NOTE 12 - EARNINGS PER SHARE

		CONSOLIDATED ENTITY	
		30 June 2024	30 June 2023
		\$	\$
(a)	Reconciliation of Earnings to Net Loss:		
	Net Loss for the year	(1,156,056)	(5,537,787)
	Earnings used in the calculation of basic EPS	(1,156,056)	(5,537,787)
	Earnings used in the calculation of diluted EPS	(1,156,056)	(5,537,787)
(b)	Weighted average number of ordinary shares outstanding during the year used in the calculation of basic EPS.	768,013,667	765,509,128
	Adjustment for calculation of diluted earnings per share	-	-
	Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted EPS.	768,013,667	765,509,128
	Basic and diluted loss per share (cents per share)	(0.15)	(0.72)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 13 - CASH FLOW INFORMATION

Reconciliation of net cash used in operating activities to loss after income tax:

Loss after income tax

Add/(less) non-cash items:

Asset write off

Depreciation and amortisation

Impairment expense

Finance costs

Adjustment for changes in assets and liabilities:

Prepayments

Trade and other receivables

Trade and other payables

Employee provisions

Net cash used in operating activities

CONSOLIDATED ENTITY	
30 June 2024	30 June 2023
\$	\$
(1,156,056)	(5,537,787)
10,099	-
2,272	116,863
-	3,937,029
262,326	14,561
(160,069)	(23,198)
47,844	(55,675)
(13,471)	80,952
(42,864)	(34,492)
(1,049,919)	(1,501,747)

NOTE 14 - JOINT ARRANGEMENTS AND MINING TENEMENTS HELD

The following is a list of active mining tenements held by Icon Energy Ltd and its subsidiaries.

Oil and Gas

Basin

ATP 855P**

Cooper Eromanga

Interest %	Interest %
30 June 2024	30 June 2023
100.00%	0.00%

** Renewal application under consideration by the Department of Resources.

NOTE 15 - CONTROLLED ENTITIES

Parent entity:

Icon Energy Limited

Australia

Subsidiaries of Icon Energy Limited:

Icon Drilling Pty Ltd

Australia

18 Nov 1994

100

100

NOTE 16 - SEGMENT INFORMATION

The Consolidated Entity operates in a single business segment, being the oil and gas exploration within Queensland. This is consistent with reporting to the Group's chief operating decision maker, who is the Board of Directors, that reviews internal management reports on at least a monthly basis. The financial results of this segment are equivalent to the financial statements of the Consolidated Entity as a whole.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 17 - FINANCIAL INSTRUMENTS

The Group holds the following financial instruments:

	NOTE	CONSOLIDATED ENTITY	
		30 June 2024	30 June 2023
		\$	\$
Financial Assets			
Cash and cash equivalents	5	448,747	1,480,933
Performance guarantee bonds		743,481	756,220
Amortised cost			
- Trade and other receivables		9,948	57,792
Financial Liabilities			
Non-interest bearing borrowings		445,389	393,458
Held at amortised cost			
- Trade and other payables		172,693	177,453

The carrying values of financial assets and financial liabilities held at amortised cost approximate their fair value.

The Consolidated Entity's financial instruments consist mainly of deposits with banks, short-term investments, receivables, payables and borrowings. No financial assets are pledged as collateral for liabilities.

The main purpose of non-derivative financial instruments is to raise finance for the Consolidated Entity's operations.

The Consolidated Entity does not have any derivative instruments at 30 June 2024 (30 June 2023: Nil).

Capital Risk Management

The Consolidated Entity manages its capital to ensure that it will be able to continue as a going concern and provide optimal return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Consolidated Entity consists of cash and cash equivalents and equity comprising issued capital, net of reserves and accumulated losses as disclosed in notes 5 and 10 respectively.

The board of directors reviews the capital structure on a regular basis. As a part of the review the board considers the cost of capital and the risks associated with each class of capital.

The Consolidated Entity's overall strategy remains unchanged from 2023.

Financial Risk Management

The main risks the Consolidated Entity is exposed to through its financial assets and liabilities are credit risk, liquidity risk and market risk - interest rates.

Risk management is carried out by the board of directors.

(a) Market Risk

The Consolidated Entity's risk management program focuses on the unpredictability of the financial markets and seeks to minimise the potential adverse effects of the financial performance of the Consolidated Entity, by way of various measures detailed below. The Group does not carry any significant currency or price risk.

Interest rate risk

The Consolidated Entity's interest rate risk arises mainly from the term deposits and cash and cash equivalents earning interest at variable rates. The Consolidated Entity does not have any interest bearing borrowing facilities. Therefore, it has not been exposed to the interest rate risk through borrowing funds.

The Consolidated Entity manages interest rate risk by monitoring levels of exposure to interest rate.

At the end of the reporting period, the Consolidated Entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on those financial assets and financial liabilities, are set out below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 17 - FINANCIAL INSTRUMENTS (Continued)

Consolidated Entity		Weighted Average Interest Rate %	Floating Interest \$	Fixed Interest Rate Maturing		Non interest bearing \$	Total \$
				Within 1 year \$	1 to 5 years \$		
30 June 2024	NOTE						
<i>Financial assets</i>							
Cash and cash equivalents	5	1.02%	448,702	-	-	45	448,747
Trade and other receivables		-	-	-	-	9,947	9,947
Performance guarantee bonds		3.66%	716,698	-	-	26,783	743,481
Total Financial Assets			1,165,400	-	-	36,775	1,202,175
<i>Financial liabilities</i>							
Trade and other payables		-	-	-	-	172,693	172,693
Non-interest bearing borrowings		-	-	-	-	445,389	445,389
Total Financial Liabilities			-	-	-	618,082	618,082
Consolidated Entity							
30 June 2023							
<i>Financial assets</i>							
Cash and cash equivalents	5	3.72%	1,480,927	-	-	7	1,480,934
Trade and other receivables		-	-	-	-	57,791	57,791
Performance guarantee bonds		2.49%	738,148	-	-	18,072	756,220
Total Financial Assets			2,219,075	-	-	75,870	2,294,945
<i>Financial liabilities</i>							
Trade and other payables		-	-	-	-	177,453	177,453
Non-interest bearing borrowings		-	-	-	-	393,458	393,458
Total Financial Liabilities			-	-	-	570,911	570,911

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 17 - FINANCIAL INSTRUMENTS (Continued)

Sensitivity analysis

Based on financial instruments at 30 June 2024, if the interest rates had increased / decreased by 0.5% from the period-end rates with all other variables held constant, post-tax profit for the year for the Consolidated Entity would have been \$9,685 higher/\$9,728 lower (30 June 2023: \$11,598 higher/\$11,838 lower), mainly as a result of the Consolidated Entity's exposure to interest rates on its variable rate cash and cash equivalents.

(b) Credit risk

Credit risk arises from the financial assets of the Consolidated Entity which comprise cash and cash equivalents and trade and other receivables. The Consolidated Entity's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Consolidated Entity enters into legally binding contracts and management monitors the progress of these contracts in accordance with contract values, as a means of mitigating the risk from financial loss.

The Consolidated Entity does not have any significant credit risk exposure to any single counterparty of any group of counterparties having similar characteristics.

During the year the Consolidated Entity maintained all cash and cash equivalent balances with the financial institution holding an AA- rating based on a S&P Global ratings.

The trade and other receivables balance consist of 86% of trade receivables (2023: 94%) and 14% of receivables from the Australian Tax Office for goods and services tax refund (2023: 6%).

(c) Liquidity risk

Liquidity risk arises from the financial liabilities of the Consolidated Entity and its subsequent ability to meet its obligations to repay their financial liabilities as and when they fall due.

Ultimate responsibility for liquidity risk rests with the board of directors, who have an appropriate liquidity risk management framework for the management of the Consolidated Entity's short, medium and long-term funding and liquidity requirements.

The Consolidated Entity manages liquidity risk by monitoring forecast and actual cash flows, matching the maturity profiles of the financial assets and liabilities and entering into contracts in accordance with an approved Authority for Expenditure. The Board reviews cashflows and considers short and long term forecasts and any implications to the Consolidated Entity's liquidity. Cash is held in a high interest account to maximise interest income. The amounts held as guarantees are regularly reviewed to ensure any restrictions are lifted as soon as possible.

The following are contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted except for the non-interest bearing borrowings which are discounted using a standard business unsecured bank rate when initially measured and subsequently measured at amortised cost.

	Carrying Amount \$	Contractual Cashflows \$	<1Year \$	1-5 Years \$
30 June 2024				
Trade and other payables	172,693	172,693	172,693	-
Non-interest bearing borrowings	445,389	445,389	-	445,389
	618,082	618,082	172,693	445,389
30 June 2023				
Trade and other payables	177,453	177,453	177,453	-
Non-interest bearing borrowings	393,458	393,458	-	393,458
	570,911	570,911	177,453	393,458

The Consolidated Entity's liquidity risk relating to financial liabilities at 30 June 2024 is limited to the repayment of the trade payables and borrowings. Trade payables are non-interest bearing and are normally settled on 30 day term. The borrowings are long-term non interest bearing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 17 - FINANCIAL INSTRUMENTS (Continued)

Fair value estimation

The net fair value of cash and cash equivalents and short-term non-interest bearing monetary financial assets and liabilities of the Consolidated Entity, as stated in the Consolidated Statement of Financial Position and accompanying explanatory notes as at 30 June 2024 and 30 June 2023, is a reasonable approximation of their carrying value.

Non-current non-interest bearing borrowing is initially recognised at their fair value and subsequently - at amortised cost.

NOTE 18 - RELATED PARTY TRANSACTIONS

- Interests in subsidiaries are disclosed in note 15.
- Transactions with Directors and Director Related Entities are disclosed in note 4.
- There were no other related party transactions during the year ended 30 June 2024 or 30 June 2023.

NOTE 19 - CONTINGENT LIABILITIES

Lodgement of invalid surrender notice

Following the expiration of tenure (ATP594 on 16 April 2021) the Company were issued a requirement to surrender of Environmental Authority notice pursuant of section 258 of the Environmental Protection Act 1994.

A surrender application from the Company was received by the Department of Environment and Science on 1 August 2023. The application however was invalid as it did not satisfy the legislative requirements under section 262 (Requirements for surrender application) and 264 (Requirements for final rehabilitation report) of the EP Act. A non-statutory notice of "invalid application" was issued to the Company on 11 August 2023.

The uncertainties relate to the timing and the amount of costs in the final rehabilitation report. It is not practicable to estimate the financial effect as a valid surrender application has not yet been lodged.

There are no other contingent liabilities as at 30 June 2024 (30 June 2023: Nil).

NOTE 20 - EVENTS AFTER BALANCE DATE

On 30 August 2024, the Company applied for a Petroleum Lease over the entire area of ATP 855 due to an amendment to the Regional Planning Interests Regulations 2014 (RPI Regulations) made on 1st August 2024.

There were no other after balance sheet date events at the date of signing.

NOTE 21 - PARENT ENTITY INFORMATION

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to Note 22 for a summary of the material accounting policy information relating to the Consolidated Entity.

a) Financial position

Assets

Current assets	1,462,235	2,357,481
Non-current assets	5,321	13,976
Total assets	1,467,556	2,371,456

Liabilities

Current liabilities	5,137,414	4,976,216
Non-current liabilities	445,389	393,459
Total liabilities	5,582,803	5,369,675

Net Assets

Equity

Issued capital	104,116,869	104,116,869
Contributed capital	142,673	141,103
Accumulated losses	(108,374,789)	(107,256,192)
Total equity	(4,115,247)	(2,998,220)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 21 - PARENT ENTITY INFORMATION (Continued)

	30 June 2024	30 June 2023
	\$	\$
b) Financial performance		
Loss for the year	(1,118,597)	(5,537,137)
Other comprehensive income	-	-
Total comprehensive income	(1,118,597)	(5,537,137)

c) Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

Carrying amount included in current liabilities

-	-
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d) Contingent liabilities of the parent entity

Contingent liabilities are disclosed in note 19.

The parent entity did not have any contractual commitments for the acquisition of property, plant or equipment as at 30 June 2024 or 30 June 2023.

NOTE 22 - SUMMARY OF OTHER MATERIAL ACCOUNTING POLICY INFORMATION

The following is a summary of the material accounting policies adopted by the Consolidated Entity in the preparation of the financial statements. The accounting policies have been consistently applied unless otherwise stated.

(a) Changes in Accounting Policies

Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. None of these have had a material impact on Consolidated Entity's financial statements.

Standards and Interpretations issued but not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods. Some of them are available for early adoption at 30 June 2024, but have not been applied in preparing this financial report. The Consolidated Entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(b) Principles of Consolidation

A controlled entity is any entity controlled by Icon Energy Limited. Control exists where Icon Energy Limited is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. A list of controlled entities is contained in Note 15 to the accounts. All controlled entities have a June financial year end.

All inter-company balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the Consolidated Entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

(c) Critical accounting estimates and judgments

The board of directors evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. The actual results may differ from the resulting accounting estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the estimates are recognised prospectively. The estimates, assumptions and judgements that are material to the financial report and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Exploration and evaluation expenditure

The application of the Group's policy for exploration and evaluation discussed in Note 22(e) requires the board of directors to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 22 - SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

(c) **Critical accounting estimates and judgments (Continued)**

Exploration and evaluation expenditure is assessed for impairment in line with AASB 6 *Exploration for and Evaluation of Mineral Resources*. When the circumstances suggest that the carrying amount of an exploration and evaluation expenditure asset may exceed its recoverable amount, the Group measures any impairment loss and discloses it in the consolidated statement of profit or loss and other comprehensive income. To make the judgement the Group involves independent valuation experts that determine the value as disclosed in note 6. There is therefore the risk that actual values realised may be materially different to those disclosed in these financial statements.

Restoration provision

The Consolidated Entity assesses its future liabilities in relation to the restoration costs which include the removal of facilities, abandonment of wells and restoration of affected areas. The estimate of future restoration costs is done at the time of installation of the assets. In most instances, removal of assets occurs many years into the future. Therefore, directors are required to make judgments regarding the removal date, future environmental legislation, the extent of restoration activities and future removal technologies. The Consolidated Entity assesses its restoration provision at each reporting date. Refer to note 9 for key assumptions.

(d) **Income Tax**

Income tax comprises current and deferred tax.

Current tax is the expected tax payable/(receivable) on the taxable income or loss for the year, calculated using applicable income tax rates enacted, or substantively enacted, as at the reporting date. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense/(benefit) reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense/(benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

Icon Energy Limited ("Head entity") and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities/(assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Tax Office that it had formed an income tax consolidated group to apply from 1 July 2008.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 22 - SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

(e) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward if the rights to tenure of the area of interest are current and to the extent that they are expected to be recouped through the successful development of an area or sale of the respective area of interest or where activities in the area have not yet reached a stage which permits a reasonable assessment of the existence of economically recoverable reserves.

Capitalised costs in relation to an abandoned area are written off in full in profit or loss in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash-generating unit shall not be larger than the area of interest.

(f) Loans and Borrowings

Loans and borrowings are initially recognised at fair value, net of transaction costs incurred. This is measured as the present value of all future cash flows, discounted using a current borrowing rate. Any difference between fair value at initial recognition and the transaction cost is recognised as a gain or loss in the Statement of Consolidated Income or Loss. Borrowings are subsequently measured at amortised cost. The increase in the borrowing due to the passage of time is recognised as finance cost in profit or loss.

Borrowings are classified as current liabilities unless the Consolidated Entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(g) Trade Creditors

A liability is recorded for the goods and services received prior to balance date, whether invoiced to the Group or not that remain unpaid. Trade creditors are normally settled within 30 days.

(h) Cash and Cash Equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Statements of Cash Flows, cash and cash equivalents include cash and cash equivalents as above, net of outstanding bank overdrafts.

(i) Provisions

Provisions for make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of directors' best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost in profit or loss.

Restoration provision

The Group recognises a restoration provision to meet all future obligations for the restoration of petroleum assets when the petroleum assets are abandoned. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. The liability for restoration is discounted to present value and capitalised as part of the exploration expenditure of an area of interest and revised at the end of each reporting period through profit or loss. The periodic unwinding of the discount is recognised in profit or loss as part of finance costs.

Changes in the estimates of restoration costs are dealt with prospectively by recognising an adjustment to the restoration liability and a corresponding adjustment to the asset to which it relates. If any reduction in the restoration liability exceeds the carrying amount of that asset, any excess is recognised in profit or loss. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 22 - SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

(j) **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

(k) **Comparative Figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(l) **Financial Instruments**

Recognition

Financial instruments are initially measured at fair value at settlement date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

AASB 9 contains three principal classification categories for financial assets: measured at amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under AASB 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

The Group's loans and receivables are classified as amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

For the purposes of subsequent measurement, financial liabilities are classified into financial liabilities at amortised cost or financial liabilities at FVTPL. A financial liabilities at FVTPL include financial liabilities held-for-trading and financial liabilities designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Impairment

Financial assets

AASB 9 uses an 'expected credit loss' (ECL) model. The impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 22 - SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

(l) **Financial Instruments (Continued)**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

For trade receivables, the group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(m) **Impairment of Non-Financial Assets**

Every six months, the directors review the carrying values of its non-financial assets which include exploration, evaluation and development expenditures and property, plant and equipment, to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed and included in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(n) **Issued Capital**

Issued capital is recognised at the fair value of the consideration received by the Consolidated Entity. Any transaction costs arising on the issue of shares are recognised directly in equity as a reduction of the share proceeds received.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Name of entity	Type of entity	As at 30 June 2024		Place of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
		Trustee, partner or participant in JV	% of share capital			
Icon Energy Limited	Body Corporate	n/a	n/a	Australia	Australian	n/a
Icon Drilling Pty Ltd	Body Corporate	n/a	100	Australia	Australian	n/a

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

ADDITIONAL SHAREHOLDER INFORMATION

On-market buy-back

There is no on-market buy back transactions during 2023-2024 financial year.

Distribution of Shareholdings

The distribution of ordinary shareholders ranked according to size at 26 September 2024 was as follows:

Range	Total Holders	Units	Capital
1 - 1,000	367	50,546	0.01
1,001 - 5,000	916	2,984,888	0.39
5,001 - 10,000	708	5,945,661	0.77
10,001 - 100,000	1,794	64,254,294	8.37
100,001 - 250,000	322	53,452,773	6.96
Over 250,001	286	641,325,505	83.50
Rounding			-
TOTAL	4,393	768,013,667	100

Unmarketable Parcels as at 26 September 2024	Minimum Parcel Size	Holders	Units
Minimum \$ 500.00 parcel at \$ 0.0060 per unit	83,334	3,661	61,273,876

Voting Rights

All ordinary shares carry one vote per share without restriction.

Twenty Largest Ordinary Shareholders

For the names of the twenty largest holders as at 26 September 2024:

Rank	Name	Shares Held	% of Issued Capital
1	HK PROSPEROUS TECHNOLOGY LIMITED	80,318,393	10.46
2	BNP PARIBAS NOMINEES PTY LTD <DRP>	61,078,816	7.95
3	RAY JAMES	50,076,937	6.52
4	SABA SUPER PTY LTD <SABA SUPERANNUATION FUND A/C>	45,000,000	5.86
5	MR EDDIE SABA	23,813,067	3.10
6	MR DANIEL SABA	21,000,000	2.73
7	HOWARD LU	16,068,181	2.09
8	CITICORP NOMINEES PTY LIMITED	15,416,949	2.01
9	MRS LILIANA ENZA BAYEH + MR JAMIL BAYEH	15,000,000	1.95
10	WILLATON PROPERTIES PTY LTD	15,000,000	1.95
11	SAMBOR TRADING PTY LTD	14,066,918	1.83
12	TAIWAN FRUCTOSE CO LTD	9,000,000	1.17
13	MR ROBERT CAMERON GALBRAITH	8,025,000	1.04
14	IRIS SYDNEY HOLDINGS PTY LTD	7,500,000	0.98
15	EDDIE SABA PTY LTD	7,440,021	0.97
16	MR ANDREW DOWDESWELL <EXPLORATION RESOURCE SS A/C>	7,210,000	0.94
17	MR ROBERT GALBRAITH	6,101,189	0.79
18	JOHN E GILL TRADING PTY LTD	5,861,750	0.76
19	MR IANAKI SEMERDZIEV	5,611,500	0.73
20	TERRYDENT PTY LTD <TERRYDENT S/F A/C>	5,010,637	0.65
Totals: Top 20 holders of FULLY PAID ORDINARY SHARES (TOTAL)		418,599,358	54.50
Total Remaining Holders Balance		349,414,309	45.50

Substantial Holders

Rank	Name	Shares Held	% of Issued Capital
1	HK PROSPEROUS TECHNOLOGY LIMITED	80,318,393	10.46
2	MR EDDIE SABA (HOLDING THROUGH SABA SUPER PTY LTD <SABA SUPERANNUATION FUND A/C>)	76,253,088	9.93
3	RAY JAMES	50,076,937	6.52
4	MR CHING-TANG LI (HOLDING THROUGH BNP PARIBAS NOMINEES PTY LTD <LGT BANK AG DRP>)	39,347,341	5.12
Totals: Substantial holders of FULLY PAID ORDINARY SHARES		245,995,759	32.03