

21 October 2016

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Re: 2016 ANNUAL GENERAL MEETING

Icon Energy Limited (ASX: ICN) advises that the Company's Annual General Meeting will be held on Wednesday, 23 November at The Arts Centre Gold Coast, in the Lakeside Terrace, 135 Bundall Road, Surfers Paradise, Queensland commencing at 11:00 am (Queensland time).

The Company's Notice of Annual General Meeting, Explanatory Statement and Proxy Form were dispatched to Shareholders today.

Attached are copies of the Notice of Annual General Meeting, Explanatory Statement and Proxy Form. Copies of these documents are available on the Company's website at www.iconenergy.com.

A handwritten signature in black ink, appearing to read "K Jih".

Dr Kevin Jih
Executive Director / CFO / Company Secretary

For more information contact Icon Energy;

Corporate
Mr Raymond James
Managing Director

Phone +61 7 5554 7111
E-mail investor.relations@iconenergy.com

Notice of Annual General Meeting 2016

WEDNESDAY, 23 NOVEMBER 2016 at 11:00am (Queensland time)

Lakeside Terrace at the
Arts Centre Gold Coast
135 Bundall Road, Surfers Paradise
QLD 4217



Icon Energy Limited
ABN 61 058 454 569

NOTICE OF MEETING

Notice is given that Icon Energy Limited (**Icon Energy**) or (**Company**) will hold its Annual General Meeting (AGM) at 11:00am (Queensland time) on Wednesday, 23 November 2016 in the Lakeside Terrace of the Arts Centre Gold Coast at 135 Bundall Road, Surfers Paradise QLD 4217.

ORDINARY BUSINESS

Consideration of Financial Statements and Reports

To receive and consider the Financial Statements and Reports of the Directors and the Auditors for the financial year ended 30 June 2016 (Financial Period).

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, pass the following as an advisory resolution:

“That the Company’s Remuneration Report for the financial year ended 30 June 2016 be adopted.”

Advisory Vote

The vote on this Resolution 1 is advisory only and does not bind the Directors of the Company.

Resolution 2 – Re-election of Dr Keith Hilless as a Director

To consider and, if thought fit, pass the following as an ordinary resolution:

*“That **Dr Keith Hilless** is re-elected, in accordance with ASX Listing Rule 14.4 and Article 70 of the Company’s Constitution, as a Director of the Company.”*

SPECIAL BUSINESS

Resolution 3 – Approval of the Participation of Mr Ray James, Managing Director, in the Icon Energy 2017 Short Term Incentive Offer

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the issue to the Managing Director, Mr Ray James, of Performance Rights, under the Icon Energy Limited 2017 Short Term Incentive offer upon the terms set out in the Explanatory Statement.”

Resolution 4 – Approval of the Participation of Dr Kevin Jih, Chief Financial Officer, Executive Director and Company Secretary, in the Icon Energy 2017 Short Term Incentive Offer

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the issue to the Chief Financial Officer, Executive Director and Company Secretary, Dr Kevin Jih, of Performance Rights under the Icon Energy Limited 2017 Short Term Incentive offer upon the terms set out in the Explanatory Statement.”

Resolution 5 – Approval of the Participation of Mr Ray James, Managing Director, in the Icon Energy 2017 Long Term Incentive Offer

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the issue to the Managing Director, Mr Ray James, of Performance Rights under the Icon Energy Limited 2017 Long Term Incentive offer upon the terms set out in the Explanatory Statement.”

Resolution 6 – Approval of the Participation of Dr Kevin Jih, Chief Financial Officer, Executive Director and Company Secretary, in the Icon Energy 2017 Long Term Incentive Offer

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the issue to the Chief Financial Officer, Executive Director and Company Secretary, Dr Kevin Jih, of Performance Rights under the Icon Energy Limited 2017 Long Term Incentive offer upon the terms set out in the Explanatory Statement.”

Resolution 7 – Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

To consider and, if thought fit, pass the following resolution with or without amendment, as a special resolution:

*“That, pursuant to and in accordance with ASX Listing Rule 7.1A, and for all other purposes, the Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions in the Explanatory Memorandum (**Placement Securities**).”*

Resolution 8 – Renewal of Articles 43 to 46 of the Constitution: Proportional Takeover Approval Provisions

To consider and, if thought fit, pass the following resolution as a special resolution:

“That in accordance with the Corporations Act and Article 46 of the Company’s Constitution the existing proportional takeover approval provisions in Articles 43 to 46 of the Company’s Constitution be renewed for a period of three years commencing on the date of this Meeting.”

NOTICE OF MEETING

VOTING RESTRICTIONS AND EXCLUSION STATEMENTS

Resolution 1

Voting Restriction pursuant to Section 250R(4) of the Corporations Act 2001 (Cth) (Corporations Act)

A vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of, the following persons:

- (a) a member of the 'key management personnel'¹ (**KMP**) whose remuneration details are included in the 2016 Remuneration Report; or
- (b) a closely related party² of such a KMP (including close family members and companies the KMP controls)

However, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- (b) the vote is cast by the Chairman of the meeting and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolutions 3, 4, 5, and 6

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on each of resolutions 3, 4, 5, and 6 by or on behalf of Mr Ray James and Dr Kevin Jih (being the only directors eligible to participate in the Icon Energy Performance Rights Plan) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or is cast by a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. In accordance with Section 250BD of the Corporations Act, the Company will disregard any votes cast on each of resolutions 3, 4, 5, and 6 by a member of the KMP or their Closely Related Parties who has been appointed **as a proxy** unless:

- (a) the voter does so as a proxy for a person who is permitted to vote in accordance with a direction on the proxy form; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 7

The Company will disregard any votes cast on this Special Resolution by a person and any associates of that person who:

- may participate in the issue of the Placement Securities; or
- might obtain a benefit if this Special Resolution is passed, except a benefit solely in their capacity as a holder of Shares if the resolution is passed.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

The Chairman of the Meeting intends to vote all available proxies in favour of each resolution.

By Order of the Board

Signed for and on behalf of Icon Energy Limited by:



Dr Kevin Jih
Company Secretary
6 October 2016

¹ 'key management personnel' has the meaning as defined in Section 9 of the Corporations Act 2001.

² 'closely related party' has the meaning as defined in Section 9 of the Corporations Act 2001.

NOTICE OF MEETING

NOTES

1. Shareholders Eligible to Vote

In accordance with the Company's Constitution and Reg 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of Icon Energy as at 11:00am (Queensland time) on 21 November 2016 will be entitled to attend and vote at the AGM as a shareholder of Icon Energy (**Shareholder**).

If more than one joint holder of shares is present at the AGM (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

2. Voting by Proxy

If you are a Shareholder entitled to attend and vote you may appoint an individual or a body corporate as a proxy. A proxy need not be a Shareholder of Icon Energy.

Shareholders should be aware of the voting restrictions and exclusions specified above when appointing a person as a proxy.

A proxy appointment form must be signed by the Shareholder or his/her attorney or, in the case of a body corporate, executed in accordance with section 127 of the Corporations Act or signed by an authorised officer or attorney. If the proxy form is signed by an attorney or by the authorised officer of a body corporate, the power of attorney or other authority (or a certified copy) must accompany the form unless it has previously been provided to the Company. If the proxy form is sent by facsimile, then any accompanying power of attorney or other authority must be certified.

A Shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the Shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the Shareholder's votes.

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If in respect of any of the items of business you do not direct your proxy how to vote, you are directing your proxy to vote as he or she decides.

If you mark the abstain box for a particular item you are directing your proxy to not vote on your behalf and your shares will not be counted in computing the required majority on a poll.

For proxies without voting instructions that are exercisable by the Chairman, the Chairman intends to vote undirected proxies in favour of each resolution. If you wish to appoint the Chairman as your proxy with a direction to vote against, or to abstain from voting on an item of business, you should specify this by completing the appropriate 'Against' or 'Abstain' box on the proxy appointment form.

The Chairman is deemed to be appointed where a signed proxy form is returned which does not contain the name of the proxy or where the person appointed on the form is absent.

3. Proxy Delivery

To be effective, the proxy appointment must be received at the share registry of Icon Energy, in the manner stipulated, no later than 11:00am (Queensland time) on 21 November 2016, being 48 hours before the AGM. Proxies must be received by that time by one of the following methods:

Post: Icon Energy's Share Registry
Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Victoria 3001 Australia

Facsimile: (within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

Delivery: Computershare Investor Services Pty Limited
117 Victoria Street, West End
Brisbane Qld 4101

Online: At www.investorvote.com.au using the secure access information shown on your proxy form.

To be valid, a proxy appointment must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any purported proxy appointment not received in this manner.

4. Voting by Attorney

Where a Shareholder appoints an attorney to act on his/her behalf at the AGM, such appointment must be made by a duly exercised power of attorney.

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by Icon Energy, in the manner stipulated in Note 3 above, by no later than 11:00am (Queensland time) on 21 November 2016 being 48 hours before the AGM.

5. Corporate Representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as a body corporate's representative.

6. Polls

On a poll, every Shareholder has one vote for every fully paid ordinary share held. These Explanatory Notes have been prepared for the information of Icon Energy's Shareholders in relation to the business to be conducted at Icon Energy's 2016 AGM.

EXPLANATORY NOTES

The purpose of the Explanatory Notes is to provide Shareholders with information that is reasonably required to decide how to vote upon the resolutions. The Directors of Icon Energy (**Directors**) recommend that Shareholders read the Explanatory Notes before determining whether or not to support the resolutions.

Consideration of Financial Statements and Report is not a resolution and will not be voted on. Resolution 1 is an advisory resolution and is non-binding. Resolutions 2, 3, 4, 5 and 6, are ordinary resolutions, requiring a simple majority of votes cast by Shareholders entitled to vote on each resolution. Resolutions 7 and 8 are special resolutions requiring 75% of the votes cast by Shareholders entitled to vote on each of the resolutions to be in favour of each of the resolutions to be passed.

Consideration of Reports

The Financial Statements, Directors' Report and Independent Audit Report of Icon Energy for the Financial Year will be put before the meeting.

Following the consideration of the Reports, Shareholders will be provided with the opportunity to ask questions about or comment on the Reports.

The Company has invited Shareholders to submit written questions for discussion at the AGM. A summarised list of written questions, if any, submitted by Shareholders to the Company and the Auditor will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

Resolution 1: Remuneration Report

Section 250R of the Corporations Act requires the Shareholders to vote on a non-binding advisory resolution that the Remuneration Report (**Remuneration Report Resolution**) be adopted.

If there is a vote of 25% or more against the Remuneration Report at the 2016 AGM, and another vote of 25% or more at the 2017 AGM, then a resolution will be put at the 2017 AGM to put the Board (other than the Managing Director) up for re-election (**Spill Resolution**). If the Spill Resolution passes, then the Company must hold a Spill Meeting within 90 days at which all Directors (other than the Managing Director) who were Directors at the time the Remuneration Report that received the second strike will retire and may resubmit themselves for re-election.

The Remuneration Report details the remuneration policy for the Company and reports the remuneration arrangements for KMP's and other Icon Energy employees. The Remuneration Report is set out on pages 36 to 45 in the Company's 2016 Annual Report. The Report can also be viewed in the "Investor Centre" section of the Company's website (www.iconenergy.com).

The Board believes that the Company's remuneration arrangements, as set out in the 2016 Remuneration Report, are fair, reasonable and appropriate and support the strategic direction of the Company.

The voting exclusion statement for this resolution is set out on page 3 of this Notice of Meeting.

Board Recommendation

The Directors recommend Shareholders vote in favour of this advisory resolution.

Resolution 2: Re-election of Dr Keith Hilless

Article 70(1)(b) of the Company's Constitution requires that one third of the Directors retire from office and are eligible for re-election. Article 70(3) further states that any Director retiring is eligible for re-election without needing to give any prior notice of an intention to resubmit for re-election and holds office until the end of the meeting at which he retires.

Similarly, ASX Listing Rule 14.4 requires that a Director (except the Managing Director) must not hold office (without re-election) past the third Annual General Meeting following the Director's appointment, or three years, whichever is longer.

To this end, ASX Listing Rule 14.5 requires that an entity with Directors hold an election of Directors each year.

In accordance with the Listing Rules and the Company's Constitution, Dr Hilless retires and, being eligible, offers himself for re-election as a Director.

Dr Keith Hilless

Dr Keith Hilless was appointed to the Board on 3 April 2009 as a Non-Executive Director of Icon Energy Limited.

Keith is the Chairman of the Board's Audit and Risk Management Committee. Keith was Electricity Commissioner of the Queensland Electricity Commission (QEC) for a time, CEO of the Queensland Transmission and Supply Corporation (QTSC), responsible for high voltage supply throughout Queensland and for forecasting changes in electricity demand and expanding Queensland's electricity network.

In addition to his corporate experience, Keith is a Doctor of the University QUT. He was also Deputy Chancellor of Queensland University of Technology for a time, is a Member in the General Division - Order of Australia, and is a Fellow of the Institution of Engineers Australia, The Australian Institute of Management and the Australian Institute of Company Directors.

Board Recommendation

The Directors, with Dr K Hilless abstaining, recommend Shareholders vote in favour of Dr Hilless' re-election.

Resolutions 3 and 4: Approval of the Participation of Mr R James, Managing Director and Dr K Jih, Chief Financial Officer, Executive Director and Company Secretary in the Icon Energy 2016 Short Term Incentive Offer

Resolutions 3 and 4 seek Shareholder approval to issue Short Term Incentives to Mr R James and Dr K Jih under the Company's Performance Rights Plan.

The Icon Energy STI is an annual incentive scheme designed to reward selected Icon Energy group employees for achieving annual performance conditions.

The Icon Energy 2017 STI offer is to be made under the Icon Energy Performance Rights Plan most recently approved by Shareholders in 2014 (**STI Offer**) and is structured to reward eligible employees (**Eligible Employees**) through a combination of both cash and performance rights.

Under the STI Offer, if performance conditions are met over the 12 months commencing on 1 July 2016 to 30 June 2017 performance period:

- 30% of the vested award will be delivered by way of a cash reward; and
- the other 70% will be delivered by way of a grant of performance rights which vest subject to achievement of performance conditions (**Performance Rights**).

Further details of the remuneration packages of Mr R James and Dr K Jih are set out in the Remuneration Report on pages 36 to 45 of the Annual Report.

Set out in **Schedule A** is an overview of the key terms of the Performance Rights Plan Rules that apply to both the STI Offer and LTI Offer.

Overview of Icon Energy's STI Offer

Set out below is a brief overview of the key aspects of the Performance Rights to be issued to Mr R James and Dr K Jih under the STI Offer.

a. Performance Conditions

The performance conditions are set by the Board and reflect the financial and operational goals of Icon Energy and individual performance objectives over a 12 month period. The Short Term Incentive Corporate Key Performance Indicator for the 2016-2017 year is an absolute share price hurdle namely that the average daily **Icon Energy share price must achieve and maintain a level of at least 23.5 cents per share for at least 20 consecutive days** over the year commencing 1 July 2016.

b. Are there any restrictions on the trading of the shares once vested?

Any shares issued upon vesting of the Performance Rights will be subject to any restrictions on dealing set out in Icon Energy's Share Trading Policy.

c. Cessation of employment

Unless otherwise determined by the Board, any Performance Rights granted under the STI offer will generally lapse where Mr R James or Dr K Jih cease their respective employment with the Icon Energy group before their respective Performance Rights have vested.

d. Fraud or Dishonesty

Where, in the opinion of the Board, a participant acts fraudulently or dishonestly or is in breach of his or her obligations to the Icon group, then the Board may:

- deem all or any awards of the participant which have not vested to have lapsed or been forfeited (as relevant); and/or
- deem all or any awards or shares (allocated in respect of an award) held by the participant to have lapsed or be forfeited; and/or
- require the participant to repay all or part of any payment made upon the vesting of a cash reward; and/or
- where shares that have been allocated to the participant upon vesting or exercise of an award are subsequently sold, require the participant to repay the net proceeds of such a sale to Icon Energy.

e. Change of Control event

The Board has discretion in the event of a Change of Control Event (such as a takeover, scheme of arrangement or winding up) to vest some or all of the Performance Rights so that they are converted into Shares.

Board Recommendation

The Non-executive Directors with Executive Directors Mr R James and Dr K Jih abstaining, recommend that Shareholders vote in favour of Resolutions 3 and 4.

ASX Regulatory Requirements Listing Rule 10.14

Under ASX Listing Rule 10.14, a Director of Icon Energy may only acquire securities under an employee share plan where such participation is approved by ordinary resolution of the Company in general meeting. Therefore, the grant of Performance Rights (and the issue of Shares upon vesting and conversion) to each of the Executive Directors, Mr R James and Dr K Jih, under the STI Offer is subject to receiving Shareholder approval at this meeting.

Approval is sought from Shareholders for the grant of Performance Rights to the Executive Directors (Resolutions 3 and 4) under the STI Offer on substantially the same terms as offers will be made to other senior executives of Icon Energy.

A brief overview of the details of the proposed grant of Performance Rights is set out on the next page.

EXPLANATORY NOTES

ASX Listing Rule 10.15

For the purposes of ASX Listing Rule 10.15 and for all other purposes, the following information is provided with regard to Resolutions 4 and 5:

1. Maximum entitlement under STI Offer

Mr R James is the Managing Director of the Company and Dr K Jih is an Executive Director of the Company and each will be granted Performance Rights in accordance with the following formula:

Maximum Rights Entitlement = (Fixed Remuneration x Max STI% x 70%) / Rights Allocation Price

where:

Max STI% =

- 50% for Mr R James; and
- 40% for Dr K Jih

70% = only 70% of the vested STI award will be delivered by way of a grant of performance rights.

Rights Allocation Price = the value of the rights (determined by the Volume Weighted Average Price (**VWAP**) of Icon Energy Shares for the one month commencing from 1 July 2016).

Set out below is the calculation of Dr K Jih STI entitlement, based on his fixed remuneration of \$484,452 per annum and the one month VWAP commencing 1 July 2016 of \$0.0289.

Fixed Remuneration	\$451,551
	x
Maximum STI	40%
	x
	70%

Rights Allocation Price \$ 135,646

Maximum Performance Rights Entitlement =
Mr R James: 7,549,864.

Maximum Performance Rights Entitlement =
Dr K Jih 4,693,650.

The Fixed Remuneration amount above is Mr R James' fixed remuneration (including superannuation) as at 1 July 2016. In the case of Mr R James the Fixed Remuneration amount of \$623,403 will be used being Mr R James' fixed remuneration (including superannuation) as at 1 July 2016.

Each Performance Right entitles the holder, upon vesting and conversion to ordinary shares in the Company on a one-for-one basis ranking pari passu with all other existing securities.

2. Vesting dates

Following the conclusion of the Performance Period (30 June 2017) the Board will make an assessment as to the extent to which the STI performance conditions have been met and the number of Performance Rights that will vest.

Where the Performance Rights vest, they may be exercised at any time up to the 'STI Last Exercise Date', which in respect of the STI Offer, is 30 June 2020.

Any unexercised Performance Rights will lapse following the STI Last Exercise Date, subject to any earlier lapse occurring pursuant to the rules of the Plan.

3. Price payable on grant or vesting

No consideration will be payable by participants in respect of the grant or upon vesting of the Performance Rights.

4. Previous Issues

The STI Offer will be made under the STI component of Icon Energy's Performance Rights Plan approved by Shareholders in 2014.

Shareholder approval was last obtained under ASX Listing Rule 10.14 at the 2015 AGM. The Board, in its absolute and unfettered discretion decided not to make any awards under the short-term incentive structure in respect of the 2014/2015 and the 2015/2016 financial years.

5. Eligibility to participate

Eligible Employees of the Company may participate in the Performance Rights Plan and this includes the Company's Executive Directors. Non-executive Directors are not eligible to acquire Performance Rights under the Icon Energy's Performance Rights Plan.

6. Voting Exclusion Statement

The voting exclusion statement for this resolution is set out on page 3 of this Notice of Meeting.

7. Loan Arrangements

There is no loan attaching to the issue of Performance Rights to the Executive Directors.

Date of Grant of Performance Rights

Subject to shareholder approval, the Performance Rights offered under the STI Offer will be granted to the Executive Directors no later than 12 months after the date of the 2016 AGM.

9. Future Issues

Details of any Performance Rights issued will be published in Icon Energy's future annual remuneration reports which relates to the period in which the Performance Rights have been issued, including that approval for this issue of securities was obtained under ASX Listing Rule 10.14.

Any Director (or Associate of any Director) who becomes entitled to participate in the Performance Rights Plan and who is not named in this Notice of Meeting will not participate in the Performance Rights Plan until approval is obtained under Listing Rule 10.14.

If approval is given for the issue of securities under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

EXPLANATORY NOTES

Resolutions 5 and 6: Approval of the Participation of Mr R James and Dr K Jih, in the Icon Energy 2017 Long Term Incentive (LTI) Offer

Approval is sought from Shareholders for participation by Mr R James and Dr K Jih in the 2017 Long Term Incentive Offer (**LTI Offer**) on substantially the same terms as offers will be made to other senior executives of Icon Energy.

The Board views Icon Energy's LTI Offer and its performance based conditions for vesting of the rights issued under the LTI Offer as an appropriate link between a portion of an executive's remuneration and the generation of long term growth in shareholder value.

The LTI Offer will comprise a grant of Performance Rights (**LTI Performance Rights**).

Overview of Icon Energy's 2017 LTI Offer

A brief overview of the details of the proposed grant LTI Performance Rights is set out below. Further details of the remuneration packages of Mr R James and Dr K Jih are set out in the Remuneration Report on pages 36 to 45 of the Annual Report.

a. Performance period

The performance period is three years commencing on 1 July 2017 and ending on 30 June 2020 (**Performance Period**).

b. Performance conditions

In order for Performance Rights under the LTI to vest the Long Term Incentive Key Performance Indicator must be satisfied. The Long Term Incentive Key Performance Indicator for the 2017 year is an absolute share price hurdle, namely that the average daily **Icon Energy share price must achieve and maintain a level of at least 45 cents per share for at least 30 consecutive days** over the 3 years commencing 1 July 2016, in which event all LTI rights for the 2017 year will vest.

c. Restrictions on the trading of the shares once exercised

Any shares issued on the exercise of the Performance Rights will be subject to any restrictions on dealing set out in Icon's Share Trading Policy.

d. Cessation of employment

If Mr R James or Dr K Jih cease employment by reason of death, disability, bona fide redundancy or other reason approved by the Board they will be entitled to any LTI Performance Rights that have vested prior to the date of cessation.

The Board has discretion in relation to any LTI Performance Rights that have not vested prior to cessation, including to determine that any unvested rights will be tested as would occur at the end of the performance period and vest on a pro-rata basis to the extent that the performance condition has been satisfied (ie having regard to the part of the performance period which has elapsed and to the degree to which the performance conditions have been achieved).

Any unvested LTI Performance Rights will immediately lapse where a participant ceases employment by reason of resignation, dismissal for cause or for any other reason not approved by the Board.

Any vested LTI Performance Rights will lapse unless they are exercised within 30 days from the date of cessation of employment (however if this occurs during a blackout period under Icon Energy's Share Trading Policy, shares allocated on exercise will be subject to a restriction on trading until the end of that period).

Board Recommendation

The Non-executive Directors recommend that Shareholders vote in favour of Resolutions 5 and 6.

ASX Regulatory Requirements Listing Rule 10.14

As previously noted, under ASX Listing Rule 10.14, a Director of Icon Energy may only acquire securities under an employee share plan where such participation is approved by ordinary resolution of Icon Energy in a General Meeting. Therefore, participation by the Executive Directors in the LTI Offer is subject to receiving Shareholder approval at this meeting.

ASX Listing Rule 10.15

For the purposes of ASX Listing Rule 10.15 and for all other purposes, the following information is provided with regard to Resolutions 5 and 6:

1. Maximum entitlement under LTI Offer

Mr R James is the Managing Director of the Company and Dr K Jih is an Executive Director. Subject to shareholder approval, the maximum number of LTI Performance Rights that may be granted to Mr R James and Dr K Jih under the LTI Offer is calculated in accordance with the following formula:

Maximum Rights Entitlement = Fixed Remuneration x Max LTI% / Rights Allocation Price

where:

Max LTI% =

- 50% for Mr Ray James;
- 40% for Dr Kevin Jih.

Rights Allocation Price = the value of the Rights (determined by the VWAP for Icon Energy shares for the one month commencing 1 July 2016).

Set out below is the calculation of Dr K Jih's LTI entitlement, based on his fixed remuneration of \$484,452 per annum and a one month VWAP commencing on 1 July 2016 of \$0.0289.

Fixed Remuneration	\$451,551
Maximum LTI	40%
<hr/>	
Rights Allocation Price	\$0.0289
Maximum Rights Entitlement =	6,705,214

The Fixed Remuneration amount above is Dr K Jih's fixed remuneration (including superannuation) as at 1 July 2016. In the case of Mr R James the Fixed Remuneration amount of \$623,403 will be used being Mr R James' fixed remuneration (including superannuation) as at 1 July 2016.

EXPLANATORY NOTES

Maximum Performance Rights Entitlement =
Mr R James: 10,785,521.

Maximum Performance Rights Entitlement =
Dr K Jih: 6,705,214.

Each LTI Performance Right entitles the holder, upon vesting and exercise, to one fully paid ordinary share in Icon Energy ranking pari passu with all other existing ordinary shares.

2. Vesting and Exercise Period

Following the conclusion of the Performance Period (30 June 2020) the Board will make an assessment as to the extent to which the performance conditions have been met and the number of Performance Rights that will vest.

Where the Performance Rights vest, they may be exercised at any time up to the 'Last Exercise Date', which in respect of the LTI offer, is 30 June 2020.

Any unexercised Performance Rights will lapse following the Last Exercise Date, subject to any earlier lapse occurring pursuant to the rules of the Plan.

3. Price payable on grant or exercise

The LTI Performance Rights will be granted for nil consideration and no amount will be payable in respect of the grant or upon exercise of the Performance Rights.

4. Previous Issues

The LTI Offer will be made under the LTI component of Icon Energy's Performance Rights Plan approved by Shareholders in 2014.

Shareholder approval was last obtained under ASX Listing Rule 10.14 at the 2015 AGM. The Board, in its absolute and unfettered discretion decided not to make any awards under the short-term incentive structure in respect of the 2014/2015 and the 2015/2016 financial years.

5. Eligibility to participate

Eligible employees of the Company may participate in the Performance Rights Plan and this includes the Company's Executive Directors. Non-executive Directors are not eligible to acquire Performance Rights under the Icon Energy's Performance Rights Plan.

6. Voting Exclusion Statement

The voting exclusion statement for this resolution is set out on page 3 of this Notice of Meeting.

7. Loan Arrangements

There is no loan attaching to the issue of LTI Performance Rights to Mr R James or Dr K Jih.

8. Date of grant of LTI Performance Rights

If Shareholder approval is obtained, it is expected that the LTI Performance Rights under the LTI Offer will be granted to Mr R James and Dr K Jih in December 2016, and in any event, no later than twelve months after the date of this AGM.

9. Future Issues

Details of any Performance Rights issued will be published in Icon Energy's future annual remuneration reports which relate to the period in which the LTI Performance Rights have been issued, including that approval for this issue of securities was obtained under ASX Listing Rule 10.14.

Any Director (or Associate) who becomes entitled to participate in the Performance Rights Plan and who is not named in this Notice of Meeting will not participate in the Performance Rights Plan until approval is obtained under Listing Rule 10.14.

If approval is given for the issue of securities under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

Legislative Requirements in relation to Resolutions 3, 4, 5, and 6 under Corporations Act

The Company wishes to advise Shareholders that for the purposes of Section 211(1) of the *Corporations Act 2001* (Cth), the Board of Directors (with Mr R James and Dr K Jih abstaining) has resolved that the issue of the STI Performance Rights and LTI Performance Rights under the STI Offer and LTI Offer is reasonable remuneration for Mr R James and Dr K Jih based on:

- the responsibilities of management; and
- an internal review of Icon Energy's remuneration arrangements, having regard to both the quantum of STI and LTI payable and the delivery of STI via a mix of cash and equity and the performance and vesting conditions attaching to the securities.

Resolution 7: Approval to issue and Additional 10% of the issued Capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

Introduction

Pursuant to Resolution 7, the Company is seeking shareholder approval to issue an additional 10% of issued capital over a 12 month period pursuant to Listing Rule 7.1A. If passed, this resolution will allow the Company to allot and issue up to the number of new Equity Securities calculated in accordance with Listing Rule 7.1A.2

(Placement Securities) each at an issue price of at least 75% of the volume weighted average price (**VWAP**) for the Company's Equity Securities in that class (calculated over the last 15 days on which trades in the Equity Securities are recorded immediately before the date on which the price at which the Placement Securities are to be issued is agreed, or if the Placement Securities are not issued within 5 trading days of that date, the date on which the Placement Securities are issued) (**Issue Price**).

This approval is sought pursuant to Listing Rule 7.1A which recently came into effect. Under Listing Rule 7.1A small and mid cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by special resolution at the annual general meeting, are permitted to issue an additional 10% of issued capital over a 12 month period from the date of the annual general meeting (**Additional 10% Placement**).

EXPLANATORY NOTES

The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without shareholder approval over a 12 month period pursuant to Listing Rule 7.1. The Company may issue the Placement Securities to raise funds for the Company and as non-cash consideration (further details of which are set out below).

Funds raised from the issue of Placement Securities, if undertaken, would be applied towards the funding of capital expenditure associated with the Company's exploration programs, expenses associated with the issue of Placement Securities and/or general working capital.

Board Recommendation

The Directors of the Company unanimously recommend that Shareholders vote **in favour** of Resolution 9.

Regulatory Requirements Listing Rule 7.1A

General

Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its annual general meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

For illustrative purposes only, on 6 October 2016 the Company's market capitalisation was \$16,731,594 based on the Closing Trading Price on that date. The calculation of market capitalisation will be based on the Closing Price of the Shares, on the last Trading Day on which trades in the Shares were recorded before the date of the AGM, multiplied by the number of Shares on issue (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is also not included in the S&P/ASX300 Index as at the time of this AGM, however, it should be noted that the S&P/ASX300 Index is rebalanced twice a year in March and September.

The Company is therefore an Eligible Entity and able to undertake an Additional 10% Placement under Listing Rule 7.1A.

In the event that the Company for any reason ceases to be an Eligible Entity after the Company has already obtained Shareholders' approval pursuant to this Resolution 7, the approval obtained will not lapse and the Company will still be entitled to issue the Placement Securities for 12 months from the date of the AGM.

1. Special Resolution

Listing Rule 7.1A requires this Resolution 7 to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the resolution. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the Meeting.

2. Shareholder approval

The ability to issue the Placement Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the Meeting.

10% Placement Period – Listing Rule 7.1A.1

Assuming Resolution 7 is passed, Shareholder approval of the Additional 10% Placement under Listing Rule 7.1A is valid from the date of the AGM and expires on the earlier to occur of:

1. the date that is 12 months after the date of the AGM; or
2. the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX.

If approval is given for the issue of the Placement Securities then the approval will expire, on 23 November 2017, unless Shareholder approval is granted pursuant to Listing Rules 11.1.2 or 11.2 prior to that date.

Calculation for Additional 10% Placement – Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that Eligible Entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of ordinary securities on issue 12 months before the date of issue or agreement:

1. plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
2. plus the number of partly paid ordinary securities that became fully paid in the 12 months;
3. plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rules 7.1 or 7.4. [Note: This does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without Shareholder approval];
4. less the number of fully paid ordinary securities cancelled in the 12 months.

D is 10 percent.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

EXPLANATORY NOTES

Listing Rule 7.1A.3

1. Equity Securities

Any Equity Securities issued under the Additional 10% Placement must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of this Notice of Meeting, the class of Equity Securities in the Company quoted on the ASX are ordinary. The Company presently has 597,556,938 Shares on issue as at the date of this Notice of Meeting.

2. Minimum Issue Price

The issue price for the Placement Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- the date on which the price at which the relevant Placement Securities are to be issued is agreed; or
- if the relevant Placement Securities are not issued within 5 Trading Days of the date in paragraph above, the date on which the relevant Placement Securities are issued.

Information to be given to ASX – Listing Rule 7.1A.4

If Resolution 7 is passed and the Company issues any Placement Securities under Listing Rule 7.1A, the Company will give to ASX:

1. a list of allottees of the Placement Securities and the number of Placement Securities allotted to each (this list will not be released to the market); and
2. the following information required by rule 3.10.5A, which will be released to the market on the date of issue:
 - details of the dilution to the existing holders of Equity Securities caused by the issue;
 - where the Equity Securities are issued for cash consideration, a statement of the reasons why the Company issued the Equity Securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing Shareholders would have been eligible to participate;
 - details of any underwriting arrangements, including any fees payable to the underwriter; and
 - any other fees or costs incurred in connection with the issue.

Listing Rule 7.1 and 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. At the date of this Notice, the Company has on issue 597,556,938 Shares. The Company will have the capacity to issue the following Shares on the date of the Meeting:

1. 89,633,541 Shares under Listing Rule 7.1; and
2. subject to Shareholder approval being obtained under Resolution 7, 59,755,694 Shares under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described on the previous page).

Specific Information required by Listing Rule 7.3A

1. Minimum Price of securities issued under Listing Rule 7.1A – Listing Rule 7.3A.1

Pursuant to and in accordance with Listing Rule 7.1A.3, the Placement Securities issued pursuant to approval under Listing Rule 7.1A must have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 Trading Days immediately before:

- the date on which the price at which the Placement Securities are to be issued is agreed; or
- if the Placement Securities are not issued within 5 Trading Days of the date in paragraph above, the date on which the Placement Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Placement Securities.

Risk of economic and voting dilution – Listing Rule 7.3A.2

As provided by Listing Rule 7.3A.2, if Resolution 7 is passed and the Company issues the Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 597,556,938 Shares. The Company could issue 59,755,694 Shares on the date of the Meeting (however, it is important to note that the exact number of Equity Securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2 details of which are set out above). Any issue of Placement Securities will have a dilutive effect on existing Shareholders.

There is a specific risk that:

1. the Market Price for the Company's Equity Securities may be significantly lower on the date of the issue of any Placement Securities than it is on the date of the Meeting; and
2. the Placement Securities may be issued at a price that is at a discount to the Market Price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue or the value of the Placement Securities.

As required by Listing Rule 7.3A.2, Table 1 below shows the potential economic and voting dilution effect, in circumstances where the issued capital has doubled and the Market Price of the Shares has halved. Table 1 also shows additional scenarios in which the number of issued Shares have increased and the Market Price of the Shares has decreased.

EXPLANATORY NOTES

Table 1

Issued Share capital *Variable A	50% decrease in Market Price 0.014		Current Market Price 0.028		100% increase in Market Price 0.056	
	10 % Voting Dilution	Capital Raised	10 % Voting Dilution	Capital Raised	10 % Voting Dilution	Capital Raised
Present issued Share Capital = 597,556,938 Shares	59,755,694	\$836,579.71	59,755,694	\$1,673,159.43	59,755,694	\$3,346,318.85
50% Increase in Share Capital = 896,335,407 Shares	89,633,541	\$1,254,869.57	89,633,541	\$2,509,739.14	89,633,541	\$ 5,019,478.28
100% Increase in Share Capital = 1,195,113,876 Shares	119,511,388	\$1,673,159.43	\$1,673,159.43	\$3,346,318.85	119,511,388	\$6,692,637.71

Assumptions and explanations

- The Market Price is \$0.028 based on the closing price of the Shares on ASX on 6 October 2016.
- The above table only shows the dilutionary effect based on the issue of the Placement Securities and not any Shares issued under the 15% under Listing Rule 7.1.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. It shows the number of shares that the Company's share capital will increase by.
- The Company issues the maximum number of Placement Securities.
- The Issued Share Capital has been calculated in accordance with the formula in Listing Rule 7.1A(2) as at 3 October 2016.
- The issue price of the Placement Securities used in the table is the same as the Market Price and does not take into account the discount to the Market Price (if any).
- The Issued Share Capital does not take into account any vesting of any Performance Rights.
- *Variable A is the issued capital of the Company.
- The table above does not show the potential dilutionary effect to a particular shareholder.

Final date for issue – Listing Rule 7.3A.3

As required by Listing Rule 7.3A.3, the Company will only issue and allot the Placement Securities during the 12 months after the date of this Meeting which the Company anticipates will end on 23 November 2017. The approval under Resolution 7 for the issue of the Placement Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the AGM.

Purpose – Listing Rule 7.3A.4

As noted above, the purpose for which the Placement Securities may be issued include to raise funds for the Company and as non-cash consideration (further details of which are set out below). Funds raised from the issue of Placement Securities, if undertaken, would be applied towards the funding of capital expenditure associated with the Company's exploration programs, expenses associated with the issue of Placement Securities and/or general working capital.

Shares Issued for Non-cash consideration – Listing Rule 7.3A.4

The Company may issue Placement Securities for non-cash consideration, such as the acquisition of new assets or investments. If the Company issues Placement Securities for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the Placement Securities complies with Listing Rule 7.1A.3.

Company's Allocation Policy – Listing Rule 7.3A.5

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Placement Securities. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to a number of factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing Shareholders can participate;
- the effect of the issue of the Placement Securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

EXPLANATORY NOTES

The allottees of the Placement Securities have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments for which Placement Securities are issued as consideration, it is likely that the allottees of some of the Placement Securities will be the vendors of the new assets or investments.

Company not previously obtained shareholder approval under listing rule 7.1A

The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2015 Annual General Meeting. The Company has not issued any equity securities under either Listing Rule 7.1 or Listing Rule 7.1A since this approval.

Voting Exclusion Statement

A voting exclusion statement is included in the Notice of Meeting at Page 3. At the date of the Notice of Meeting, the proposed allottees of any Placement Securities are not as yet known or identified. In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the Placement Securities), there is no reason to exclude their votes and Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted.

Interpretation

Equity Securities has the meaning given to that term in the Listing Rules.

Market Price has the meaning given to that term in the Listing Rules.

Special Resolution means a resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.

Resolution 8: Constitution – Proportional Takeover Approval Provisions

Introduction

The Company's Constitution contains provisions dealing with what is to happen if a proportional takeover bid for the Company's Shares is made in accordance with the Corporations Act (**Proportional Takeover Approval Provisions**). Essentially Shareholder approval will be required for a proportional takeover bid to proceed.

Under Section 648G of the Corporations Act, the Proportional Takeover Approval Provisions in the Company's Constitution must be renewed, by Shareholder approval by special resolution, every three years or they will cease to have effect.

The Proportional Takeover Approval Provisions were last renewed at the AGM on 25 November 2013 and will expire on 24 November 2016 unless renewed. Accordingly, the Company is now seeking to renew the Proportional Takeover Approval Provisions.

If Resolution 8 is approved, the existing provisions in the Company's Constitution will have effect for a further three years, from the date the Resolution is passed.

Section 648G(5) of the Corporations Act requires that the following information be provided to Shareholders when they are considering the inclusion of proportional takeover approval provisions in a constitution.

The reason for having a proportional takeover approval provision

A proportional takeover bid enables a bidder to offer to buy a proportion only of each Shareholder's shares in the Company. This means that control of the Company might pass without Shareholders having the chance to sell all their shares to the bidder. It also means that the bidder might take control of the Company without paying an adequate amount for gaining control.

So as to address such a possibility, the Company is able to provide in its Constitution that:

- (a) in the event of a proportional takeover bid being made for the shares in the Company, Shareholders are required to vote by ordinary resolution and, together, decide whether to accept or reject the offer; and
- (b) the majority decision of the Company's Shareholders will be binding on all individual Shareholders.

The Directors believe that Shareholders should be entitled to vote on whether a proportional takeover bid ought to proceed, given such a bid might otherwise allow control of the Company to change without Shareholders being given the opportunity to sell all of their shares for a satisfactory price. The Directors also believe that the right to vote on a proportional takeover bid may avoid Shareholders feeling pressure to accept the bid, even if they do not want the bid to succeed.

What is required under the Proportional Takeover Approval Provisions

If a proportional takeover bid is made then, under the Corporations Act, the Directors must ensure that Shareholders vote on a resolution to approve the bid more than 14 days before the bid period closes.

The vote is decided by a simple majority. Each Shareholder who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote. However, the bidder and its associates are not permitted to vote.

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the bid is approved (or taken to have been approved), then the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The bid will be taken to have been approved if the resolution is not voted on within the deadline specified under the Corporations Act. The Proportional Takeover Approval Provisions do not apply to full takeover bids.

EXPLANATORY NOTES

Potential advantages and disadvantages to Directors

There are no material advantages or disadvantages to Directors. While the renewal of the Proportional Takeover provisions will allow the Directors to ascertain the views of Shareholders on a proportional takeover bid, the renewal of such a provision does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendation as to whether the bid should be accepted.

Potential advantages to Shareholders

The renewal of the Proportional Takeover Approval Provisions will however ensure that all Shareholders have an opportunity to evaluate a proportional takeover bid and vote on the bid at a general meeting. This is likely to ensure that a prospective bidder structures its offer in such a way which is attractive to a majority of Shareholders (including appropriate pricing), rather than merely the (potentially limited) number of Shareholders necessary for the bidder to achieve control of the Company.

Similarly, knowing the view of the majority of Shareholders might assist individual Shareholders to assess the likely outcome of the proportional takeover bid when determining whether to accept or reject the offer.

Potential disadvantages to Shareholders

It is possible that the inclusion of such a provision in the Constitution might discourage proportional takeover bids and may reduce any speculative element in the market price of the Company's shares arising from the possibility of a proportional takeover bid being made. The inclusion of such a provision might also be viewed as an unnecessary additional restriction of the ability of Shareholders to freely deal with their shares (or a portion of them).

The Directors' recommendations

The Directors have considered each of the above advantages and disadvantages and believe that the prospective advantages for Shareholders for the renewal of a Proportional Takeover Provision outweigh the potential disadvantages.

As at the date of preparing this Notice of Meeting, none of the Directors are aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

The Directors recommend (for the reasons stated above) that the Proportional Takeover Approval Provisions in the Constitution be renewed.

Enquiries

Investors who wish to enquire about any matter relating to their Icon Energy shares are invited to contact the share registry:

Computershare Investor Services Pty Limited

GPO Box 2975
Melbourne VIC 3001

Email: web.queries@computershare.com.au

Website: www.computershare.com.au

All other enquiries relating to Icon Energy shares can be directed to:

Investor Relations

Icon Energy Limited
4 Miami Key Broadbeach Waters
Queensland 4218 Australia

Telephone: +61 7 5554 7111 Facsimile: +61 7 5554 7100

Email: investor.relations@iconenergy.com

Website

The 2016 Annual Report can be accessed on the Company's website at www.iconenergy.com

EXPLANATORY NOTES

SCHEDULE A – SUMMARY OF PERFORMANCE RIGHTS PLAN RULES

Plan Overview

The Performance Rights Plan (the **Plan**) is to extend to Eligible Employees of the Company as the Board may in its discretion determine.

The Plan provides employees with short, medium and long term incentives aimed at creating a stronger link between the Company's key personnel's performance and reward, whilst increasing Shareholder value in the Company.

Eligible Employees

Any person (including Executive Directors) employed on either a fulltime or part-time permanent basis by the Group or an Executive Director of the Group or any other person whom the Board determines to be eligible to participate in the Plan.

Plan limit

The maximum number of Performance Rights that may be issued under the Plan (or any other plan or similar arrangement) will not, when aggregated with the number of Shares on issue, exceed 5% of the issued capital of the Company from time to time.

For the purposes of calculating this 5% limit, ASIC includes:

- all Shares issued (or which might be issued pursuant to the exercise of a Performance Right) in connection with the Plan from time to time;
- the number of Shares in the same class that would be issued if all of the Performance Rights under the Plan were accepted; and
- the number of Shares in the same class issued during the previous five years pursuant to a Performance Rights Plan,
- but specifically excludes:
- any offers which are received outside of Australia;
- offers made under a disclosure document;
- offers that do not require disclosure under Section 708 of the Corporations Act; and
- options over Shares where the relevant option has lapsed.

Acceptance of Invitation to Participate in the Plan

An invitation to participate in the Icon Energy Performance Rights Plan may be accepted by an Eligible Employee to whom the invitation is made), by delivering to the Company written acceptance in the form determined by the Board and stated in the letter of invitation.

Performance Condition

The Board will determine in its absolute discretion whether any performance hurdles or other conditions (including as to time) will be required to be met (**Performance Conditions**) before the Performance Rights which have been granted under the Plan can vest.

Performance Rights will vest upon the satisfaction of the Performance Conditions.

Exercise Period

The terms for exercise, including the exercise period, are stated in the Invitation, however the exercise period must not exceed ten years and any Performance Rights must not be exercised during a closed period as prescribed in the Company's Securities Trading Policy.

Lapse

A Performance Right lapses, to the extent that it has not been exercised, on the earlier to occur:

- the stated expiry date;
- the date on which the Board makes a determination that the Performance Conditions have not been satisfied;
- the date on which the Board makes a determination that a Participant acts fraudulently or dishonestly or is in material breach of his or her obligations to the Company or Related Body Corporate, or in the event of a Change in Control Event (being a scheme of arrangement, takeover bid, or ability to replace all or a majority of the Directors) (subject to the below), the last day specified in writing in a notice given by the Board to each Participant, that he or she may exercise Vested Performance Rights;
- if a Participant ceases to be employed by the Company or Related Body Corporate unless the Board exercises its discretion to enable the participant to continue holding the Performance Rights.

Rights and restrictions of Performance Rights

- Performance Rights issued pursuant to the Plan do not include an entitlement to participate in dividends, new issue of shares, or any pro rata issue of shares to Shareholders unless determined otherwise by the Board, and do not provide rights to vote at meetings of the Company until the Performance Rights are exercised;
- Shares acquired upon exercise of the Performance Rights will, upon allotment rank *pari passu* in all respects with other Shares;
- If there are certain variations of the share capital of the Company including a capitalisation or rights issue, sub division, consolidation or reduction in share capital, a demerger (in whatever form) or other distribution in specie, the Board may make such adjustments as it considers appropriate in accordance with the Listing Rules;
- Performance Rights will not be quoted on the ASX. The Company will apply for quotation on the ASX of the Shares issued on exercise of the Performance Rights within ten business days after the date of allotment of those Shares;
- The Participant must comply with the Company's Securities Trading Policy and the Constitution in respect of any Shares that may be issued under the Plan;
- Subject to law and the Company's Securities Trading Policy, there will be no restrictions on the sale, transfer or disposal of Shares once issued.

EXPLANATORY NOTES

Assignability

Except on the death of a Participant, Performance Rights may not be transferred, assigned or novated except with the approval of the Board.

Administration

The Plan is administered by the Board, which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules, including any waiver granted by ASX) in addition to those set out in the Plan.

Change of Control

If, in the opinion of the Company a Change in Control Event has occurred or is likely to occur, the Board may give written notice to Participants of the Control Event and convert all or any of the Participant's Performance Rights to Shares whether or not the Vesting Conditions have been met.

Control Event means any of the following:

- (a) an offer is made by a person for the whole of the issued ordinary share capital of Icon Energy (or any part as is not at the time owned by the offeror or any person acting in concert with the offeror) and after announcement of the offer the offeror (being a person who did not Control Icon Energy prior to the offer) acquires Control of Icon Energy; or
- (b) any other event which the Board reasonably considers should be regarded as a Control Event.

Amendments

Subject to the Listing Rules and the Corporations Act, the Board may amend the Plan at any time, but may not do so in a way which materially reduces the Participants' existing rights without their consent, unless the amendment is to comply with the law, to correct an error or similar.

Termination and suspension

The Plan may be terminated or suspended at any time by resolution of the Directors without notice to the Participants. The suspension or termination will not affect any existing grants of Performance Rights already made under the Plan and the terms of the Plan will continue to apply to such Performance Rights.



ABN 61 058 454 569

ICN

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SAMPLE ESTATE
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Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

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Proxy Form

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- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 11:00am (Queensland Time) Monday, 21 November 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose (except where the Listing Rules dictate otherwise and in relation to Resolution 1 where you have appointed a member of the key management personnel of the company (other than the Chairman) or their closely related parties as your proxy, in which case there are additional restrictions explained below). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Appointing the Chairman as proxy: If the Chairman of the Meeting is appointed your proxy (or becomes your proxy by default), you authorise the Chairman to exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by the Chairman of the Meeting for those resolutions other than as proxy holder will be disregarded because of that interest, subject to the requirements of the Corporations Act 2001 (Cth). If you have directed your proxy how to vote on a Resolution and your named proxy either does not attend the Meeting or attends the Meeting but does not vote on a poll on the Resolution, the Chairman of the meeting will become your proxy in respect of that Resolution.

Exercise of undirected proxies by Key Management Personnel

If a member of the Company's key management personnel (other than the Chairman) or their closely related parties is your proxy and you have not directed the proxy how to vote, that person will not vote your shares on Resolutions 1, 3, 4, 5 and 6 (being resolutions which are connected directly or indirectly with the remuneration of members of the Company's key management personnel).

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Icon Energy Limited hereby appoint



the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Icon Energy Limited to be held at Lakeside Terrace at the Arts Centre Gold Coast, 135 Bundall Road, Surfers Paradise, Queensland on Wednesday, 23 November 2016 at 11:00am (Queensland Time) and at any adjournment or postponement of that Meeting.

Chairman to vote undirected proxies in favour: I/We acknowledge that the Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

Chairman authorised to exercise proxies on remuneration related matters: If I/We have appointed the Chairman of the meeting as my/our proxy (or the Chairman of the meeting becomes my/our proxy by default), I/We expressly authorise the Chairman of the Meeting to exercise my/our proxy respect of Resolutions 1, 3, 4, 5 & 6 even though these resolutions are connected directly or indirectly with the remuneration of a member of key management personnel of Icon Energy Limited, which includes the Chairman. I/We acknowledge that if the Chairman of the Meeting is my/our proxy and I/We have not marked the box opposite Resolutions 1, 3, 4, 5 & 6, the Chairman of the Meeting intends to vote my/our proxy in favour of Resolutions 1, 3, 4, 5 & 6.

STEP 2

Items of Business

Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Ordinary Business

For Against Abstain

Res 1 Adoption of Remuneration Report

☐☐☐

Res 2 Re-election of Dr Keith Hilless as a Director

☐☐☐

Special Business

Res 3 Approval of the participation of Mr Ray James, Managing Director, in the Icon Energy 2017 Short Term Incentive Offer

☐☐☐

Res 4 Approval of the participation of Dr Kevin Jih, Chief Financial Officer, Executive Director and Company Secretary, in the Icon Energy 2017 Short Term Incentive Offer

☐☐☐

Res 5 Approval of the participation of Mr Ray James, Managing Director, in the Icon Energy 2017 Long Term Incentive Offer

☐☐☐

Res 6 Approval of the participation of Dr Kevin Jih, Chief Financial Officer, Executive Director and Company Secretary, in the Icon Energy 2017 Long Term Incentive Offer

☐☐☐

Res 7 Approval to issue an additional 10% of the issued Capital of the Company over a 12 month period

☐☐☐

Res 8 Renewal of Articles 43 to 46 of the Constitution: Proportional Takeover Provisions

☐☐☐

Board recommendations and undirected proxies: The Board recommends shareholders vote in favour of each resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. If you do not wish to authorise the Chairman to vote your proxy in this way, you should direct your proxy in accordance with the instructions in this proxy form. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

ICON

999999A

Computershare +