

# The fight is on for Icon

by Nick Nichols  
business editor

ICON Energy's largest shareholder has hatched a corporate coup that aims to oust the Robina company's entire board, including its long-standing managing director Ray James.

Dianne Baldwin, who presided over troubled Brisbane hatmaker Leutenegger in the 1990s, has nominated her husband Ron Baldwin as one of three new directors to the Icon board.

She has called an extraordinary general meeting for February 23 to vote out the incumbent board, a move which has both shocked and disappointed Mr James.

The Icon boss, who has worked in the resources industry for more than 35 years, said none of the nominees had any 'specific experience in oil and gas development'.

"They are hell-bent on taking this company out," he said.

"None of them are geologists or geophysicists."

Mr Baldwin is understood to have ties with a power-generation concern in southern Queensland, near Icon's potentially lucrative ATP 626 field in the Surat Basin.

"It's a fight we've got here," said Mr James. "We see it essentially as a grab for cash."

"We're confident it will be defeated; we're confident we've got the support (of shareholders)."

"But you never know."

"There are a few disgruntled shareholders, but there are also 4350 shareholders who have done very well out of Icon and we'd expect substantial support to help us vote this frivolous action away."

The Baldwin family became the largest single shareholder in Icon last November after securing 20 million options previously held by oil giant Santos.

They converted those options at a cost of \$1.8 million, taking their holding to 8.5 per cent.

Mr James has 7.1 per cent.

The Baldwins are familiar with boardroom coups after a troubled

## James digs in over 'frivolous' coup attempt

history with former Brisbane hatmaker Leutenegger.

The company, which listed in 1992, was racked by internal squabbling among the board members.

Mrs Baldwin, a former industrial relations commissioner, was sacked as chief executive in 1995 and was later reinstated after taking her case to the Industrial Relations Tribunal.

Leutenegger suffered from a succession of losses when it first listed and was eventually taken over by Hancock and Gore in 1997 at a time when its \$1 shares were trading well below 30c.

The Baldwins controlled 40 per cent of Leutenegger, which returned to profitability in Hancock and Gore's hands.

The Baldwins are understood to still retain an interest in the company. They could not be contacted for comment.

Meanwhile, Icon is set to spend \$35,000 convening next month's extraordinary meeting.

Under corporate law, such a meeting can be called by any shareholder with more than 5 per cent of a company.

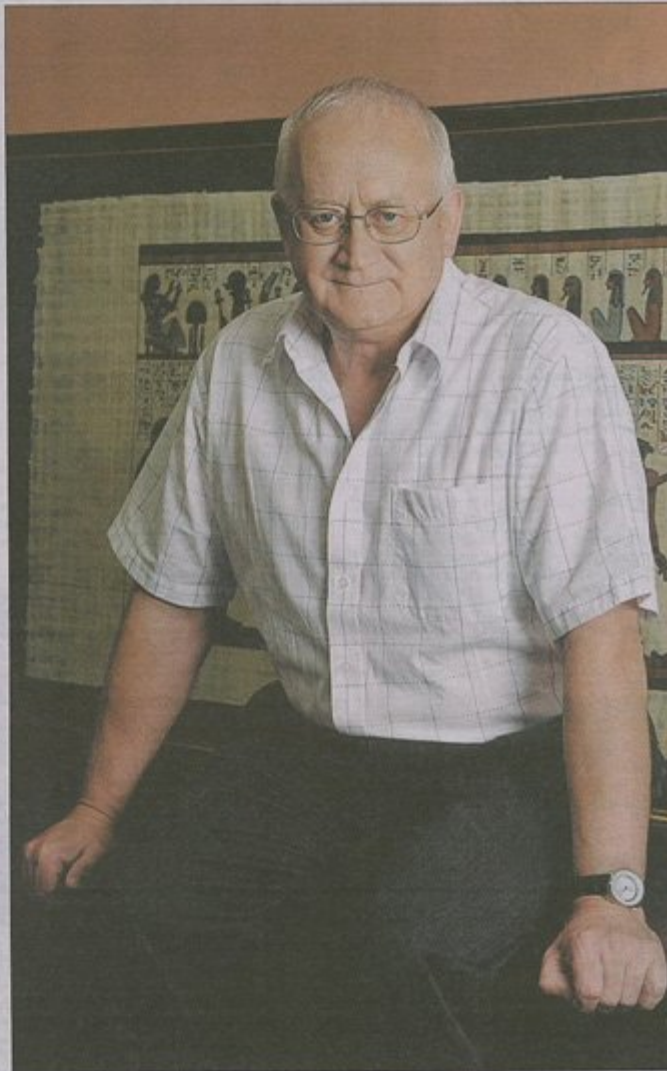
"It's a huge cost and a waste of money," said Mr James of the meeting last night.

He also said he was concerned about staff morale, particularly from employees who had joined the company in the past year as part of Icon's ramped-up drilling program.

The program is expected to establish commercial reserves at its ATP 626 field.

Icon, whose shares have been buoyed over the past year by its gas prospects, last month secured a \$36 million partnership deal with the government-owned Stanwell Corporation.

The shares closed 1c lower at 20c yesterday.



Ready for a fight . . . Icon's long-standing managing director Ray James