

“To keep shareholder value keep the existing Board”

10th February 2009

Dear Icon Shareholder

We need your support to keep Icon moving and to increase shareholder value in difficult times. Fortunately, we have great resources in the form of areas to develop and the staff resources to make that development happen.

Continue to Increase Shareholder Value - Keep the Proven Existing Board with:

- **Extensive Experience;**
- **An Established Plan; and**
- **Proven Results.**

By now you may have received letters from a group that wishes to take control of your Company. As Chairman of the Board, I urge you to reject their proposal.

To date, we have endeavoured to avoid responding to these individuals' allegations despite their presentation of certain misleading, inaccurate and possibly deceptive information.

Instead your Board has given Icon's shareholders definite prospects with funding in place to prove Icon's coal seam gas (CSG) reserves, a contract in place to secure future gas sales, and an experienced team to achieve Icon's aims. As such, shareholders currently enjoy the most advantageous outlook in your Company's history.

“Your Board's strategy is in place and on track– Do not sacrifice the future for an untried group that has no coherent plan”

Let me state Icon's updated plans for the future:

First, in addition to the three well Lydia Pilot Program, we will commence and complete a twelve (12) well Coring and Stratigraphic Well Program in 2009 for ATP 626P with eight (8) wells outside of the Stanwell area.

“To keep shareholder value keep the existing Board”

The purpose of the 12 additional wells as proposed by Icon Energy is as follows:

- Approximate commencement of program is March 2009;
- Site preparation for these wells has commenced;
- To better define the gas reserve/resource base by drilling, logging, coring or drill stem testing (DST) the Walloon Coal Measures (WCM) in areas where geologic information is sparse or non-existent;
- To identify the most promising areas for the installation of additional pilot production areas;
- To better quantify the gas content and Gas Initially in Place (GIIP);
- To reclassify our resource to 2P and 3P reserves; and
- To address permit requirements.

“Your Board will appoint a majority of independent Directors when the EGM is over - Do not sacrifice the value of your investment for a group with no relevant experience”

Second, as announced to the ASX on 19 December 2008, the Board was considering two candidates for appointment as independent Directors. Due to the untimely requisitioning of the EGM, it is neither possible nor prudent to appoint additional Directors at this point in time. Desirable characteristics for potential Directors include:

- Extensive geological and senior exploration and production experience including geothermal and conventional power generation facilities;
- Extensive electricity and gas sales experience;
- Extensive large contract marketing experience;
- Senior management and corporate regulation and governance experience;
- Independence of the Company and its existing executive management; and
- Impeccable history of honourable behaviour.

“Your Board receives no commissions on sale – Do not give away shareholder value”

Third, we will continue to ensure value is created for shareholders through engaging with high quality partners that will pay fair value for our resources.

“To keep shareholder value keep the existing Board”

“Your Board will continue to protect the value of your investment by terminating existing agency agreements”

Fourth, to terminate the Sales Agency Agreement whereby our agent, **Mr Baldwin**, would have received a minimum of \$750,000 per annum or \$11,250,000 over 15 years. Considerably more would have been earned had we accepted the contract Mr Baldwin brought to the Company. The Board will give three months notice of termination of these contracts. The agency agreement cannot be terminated prior to 30 June 2009. The Board will terminate his Finance Agency Agreement on 30 September 2009. Until then Mr Baldwin has a conflict of interest.

“Your Board has acted and will continue to act to be responsible and competitive in setting executive remuneration”

Fifth, the board will continue past practices of setting executive and senior management remuneration based on independent expert surveys of comparable companies. I can categorically state that all executive remuneration is:

- Made under written Contract;
- Audited and put to Shareholders at every AGM; and
- Appropriately and independently reviewed every year by a fully independent remuneration committee.

“Let’s keep Icon Energy Limited a successful Company – we are CSG and much, much, more”

What Have We Achieved

Your Board has achieved in the past 18 months:

- Funding and drilling of 3 wells at a cost of \$3.2 million;
 - Achieved a growth in share price of 516% between 1 July 2007 and 30 June 2008;
 - Employed new professional staff (350% increase) to conduct coal seam gas (CSG) operations;
 - Signed Agreements with Stanwell Corporation for the development of CSG development for \$36 million;
 - Signed a Gas Sales Contract with Stanwell at market prices;
-

“To keep shareholder value keep the existing Board”

- Icon is negotiating several avenues to produce LNG;
- Engaged ACIL Tasman, consulting Engineers specialising in gas and electricity sales Contracts;
- Agreed to engage Netherland Sewell & Associates in Houston, Texas to certify all CSG reserves;
- About to commence an appraisal drilling pilot program at Lydia in ATP 626P;
- Negotiations are well advanced for a coring rig contract to drill 12 holes;
- The Board is in discussion with potential new independent Directors who will bring to Icon the necessary skills and direction. This is a very onerous responsibility in a publically listed Company.

“Your action is needed now. Vote against the motions”

Please be aware that the information that has been distributed by Mr. Baldwin and his action group website contains information that is misleading and/or deceptive.

The ASX website and www.iconenergy.com are the only sources of official information concerning the Company. In particular, we advise that to ensure that your rights as shareholders are protected; you should strictly follow the instructions in respect of voting by proxy as set out on page 3 in the Notice of Meeting dated 13 January 2009.

Thank you for your support



Stephen Barry
Chairman
Icon Energy Limited