



ICON ENERGY LIMITED

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energy for the future - the future of energy

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The Manager
Company Announcements Office
Australian Securities Exchange Limited
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Dear Sir

***ICON ENERGY'S "DOMINIC 1" WELL REACHES 1,326m TD;
NEW LYDIA EXPLORATION WELLS SET TO BEGIN DRILLING***

Highlights:

- 1. 'Dominic 1' well reaches Target Depth of 1,326m with good coal intersections**
- 2. New wells to commence in Lydia Farmin Block this week**
- 3. Annulus pressure now registered on all Lydia Pilot production wells**

- 1. 'Dominic 1' well reaches Target Depth of 1,326m with good coal intersections**

S&P/ASX300 index Coal Seam Gas explorer **Icon Energy Limited (ICN)** drilled 'Dominic 1' to its Target Depth (TD) of 1,326.6 metres on 15 January 2010.

Following 'Henry 1' which was completed last week, 'Dominic 1' is Icon's fourth well in its thirteen-well 2010 drilling program for key tenement ATP 626P, situated north of Goondiwindi.

'Dominic 1' intersected a gross section of 173 metres of Walloon Coal Measures.

Net coal was 10.9 metres, being some 3.6 metres more than prognosis.

Two Drill Stem Tests (DSTs) have been run on the well, with a third test currently in progress.

A comprehensive set of logs were run on this well, which in combination with the test data will make a valuable contribution towards the reservoir modeling of the Walloon Coal Measures in central ATP 626P.

The data gathering process and reservoir modeling is an essential step in establishing pilot locations to best determine reserve certification.

2. New wells to commence in Lydia Farmin Block this week

The next four wells will be drilled in the Lydia Farmin area in accordance with plans made in conjunction with Stanwell Corporation, Icon Energy's farmin partner in the Lydia Farmin section of ATP 626P.

Drill pad preparations on the next two well sites commenced on the weekend of 16-17 January 2010.

The sites will be ready for 'Lydia 6' and 'Lydia 7' to be drilled after the completion of 'Dominic 1'.

'Lydia 6' is planned to spud later this week.

3. Annulus pressure now registered on all Lydia Pilot production wells

The dewatering process continues daily for the three pilot production wells in the Lydia Pilot Program in a process that is expected to take some months. All three wells now have pressure on the annulus.

The process has not yet reached the breakout point for gas and this augers well for long term gas production as the wells will typically have a long life once commercial production rates are reached.

Yours faithfully



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Icon is an Australian ASX listed oil producer and explorer. Its petroleum production and exploration assets are located in the Cooper/Eromanga Basins in South Australia and the Surat Basin in Queensland.

Icon Energy Limited: ATP 626P - 2010 Drilling Program

