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1st July 2009

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

Dear Sir

SHARE PURCHASE PLAN AND EXPLORATION UPDATE

Icon Energy is pleased to announce the success of its SPP with subscriptions nearly three times the Company's expectations. On 1st June 2009, Icon Energy announced a Share Purchase Plan (SPP) for eligible shareholders to acquire, up to a maximum of \$15,000 worth of fully paid ordinary shares in the Company at \$0.30 per share. The Company had advised that it expected to raise between \$5 million and \$6 million.

Icon has received applications for approximately 58.3 million shares delivering approximately \$17.5 million in cash. Pending the clearance of funds, the Company expects to issue the SPP shares on or about 6th July 2009. As a result of both the SPP and the earlier Placement, Icon Energy's cash position is in excess of \$30 million as at 30th June 2009.

When combined with the share placement advised on 1st June 2009, the total amount raised by the company to further its drilling program outside the Lydia Pilot Area and to cover future administrative expenses is \$30 million. The focus of this program and the Stanwell Farmin is on the certification of reserves to 2P and 3P status. To this end, the plans for ATP 626P for the third and fourth quarters of 2009 are:

Outside the Stanwell Farmin Area

- A drilling program consisting of eight stratigraphic holes;
- A seismic program of 147 kilometres.

Within the Stanwell Farmin Area (subject to Stanwell approval)

- 133 kilometres of seismic;
- Four stratigraphic holes;
- Up to three pilots consisting of four wells each.

Current activities now in process to achieve these plans include:

- Landowner permissions under negotiation for the seismic areas;
- Landowner permissions under negotiation for access to drilling locations;
- Advanced negotiations for contracts for seismic; and
- A contract for the use of a coring rig is nearing completion.

Analysis of the Lydia Pilot results is ongoing with the initial draw-down tests showing good indications of permeability. Further testing and dewatering will continue when the storage pond is completed. Currently, excavation is completed with levelling and compacting work taking place in anticipation of the installation of the pond liner. A small video of the gas to surface from the draw-down test on LP-3 can be found on <http://www.iconenergy.com/>. All three wells showed similar gas to surface responses.

Yours sincerely,



Ray McNamara
Company Secretary/Director
Icon Energy Limited



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