



ICON ENERGY LIMITED

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energy for the future - the future of energy

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ICON ENERGY LIMITED ASX DRILLING UPDATE 10 FEBRUARY 2010

HIGHLIGHTS:

- 1. LYDIA NO. 8 DATA INDICATES BOTH PRESSURE AND PERMEABILITY**
- 2. LYDIA NO. 6 SPURRED THIS MORNING**

1. LYDIA NO. 8 DATA INDICATES BOTH PRESSURE AND PERMEABILITY

In addition to the comprehensive exploration drilling program currently underway in ATP 626P, Icon and its farmin partner Stanwell Corporation last month agreed to drill four new exploration wells to appraise the potential of the Lydia Farmin block within ATP 626P. The first of these has now been completed.

Lydia No. 8 was successfully drilled to its target depth of 840 metres penetrating the Walloon Coal Measures.

A comprehensive set of logs and four DST's (drill stem tests) were run in the well, the last of which being run on 5 February 2010.

Two important features of the Walloon Coal Measures have been confirmed from test and log data collected so far:

- The Walloon Coal Measures are over-pressured at this location;
- Fractures where developed, are open and are permeable.

Both these features confirm important production properties of coals present in this area.

Test and other data collected from the well to date shows the well penetrated 13 metres of good coals in the Walloon Coal Measures which included evidence of fracturing, a characteristic consistent with good permeability and hence deliverability of water and gas from the coals.

Petrophysical information from this well will be analysed and used to further assess the reservoir qualities of the coals within the Lydia block.

The final data will be collated with other such data in the region and used to identify areas of superior permeability within the block which will assist in the location of the next Lydia production pilot.

The well has now been completed, cased and suspended for use as a possible monitor well on the site.

2. LYDIA NO. 6 SPUDED THIS MORNING

Major Drilling Rig-52 contracted for the current drilling program was mobilised to the next location, Lydia No. 6 late last week when rain in the region delayed recommencement of drilling for a few days.

Lydia No. 6 has now spudded/commenced drilling operations at 1:30am this morning.

Yours faithfully



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