
Registered Office:

Level 4, 19 Arbour Court
PO Box 3366
ROBINA TC QLD 4230 AUSTRALIA

Ph: 61+ 07 5562 0077
Fax: 61+ 07 5562 0011
Email: info@iconenergy.com
Web: www.iconenergy.com

9th June 2009

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

Dear Sir

UPDATE ON DRILLING STATUS LYDIA PILOT

All three Lydia Pilot wells have been completed and the drilling rigs released. All pumping equipment has been installed and performance tested. Permeability tests will commence this week prior to placing the wells on full flow to monitor water and gas production.

Pressure transducers have been installed in Lydia-1 and grouting should be completed today provided that ground conditions will permit heavy truck transport. Work on the water storage pond has been hampered by weather and the excavation work is approximately 80% completed.

Each well is currently showing 40 to 85 psig pressure on the annulus which when bled off, repressurises within a few hours. This shows gas in the system and is a favourable indication of permeability. Testing of each well to determine relative permeability should begin at the end of the week. The first test requires water to be slowly draw down in one well while testing the effects of the pressure reduction on the other wells. The same test will be performed on each well before dewatering commences.

Gas flow rates do not usually reach commercial rates for some time and gas production rates will be reported on a regular basis. Periodic updates on production well tests and dewatering will be issued as data becomes available.



Ray McNamara
Company Secretary/Director
Icon Energy Limited



For further information please contact:

Ray McNamara
Telephone: (+617) 5562 0077
Facsimile: (+617) 5562 0011
Email: info@iconenergy.com
Or visit www.iconenergy.com