



**ICON ENERGY LIMITED**  
*energy for the future -  
the future of energy*

ABN 61 058 454 569

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2 nd September 2008

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

Dear Sir

**ICON ENERGY LIMITED (ICN) RAISES FUNDS FOR PILOT PRODUCTION TESTS**

Icon is pleased to announce that 14,300,000 ordinary shares have been placed through Phillip Capital Australia and its associated stockbroker, Intersuisse Limited, at a price of 19 cents per share to raise \$2,717,000. The shares will rank pari pasu with existing shares of the company and the company will apply for the listing of these shares in the near future pursuant to Listing Rule 7.1 of the ASX Listing Rules. An ASX 3(b) notice outlining the changes to the company's share structure will be lodged at that time.

The money raised in this placement will be used to fund the drilling of new coal bed methane (CBM) wells in ATP 626P as detailed in "Stage 2" of our exploration program announced on 25<sup>th</sup> August 2008. Stage 1 of that program is on track with funding in place from the previous placement.

These new wells begin the pilot program to test the commerciality of the gas resource in Lydia No.1 drilled last year. This part of Stage 2 is to establish production flow rates for gas, permeability, and gas content measurements. De-watering is also part of the testing process. This program should result in an improved resource classification to the 1P, 2P, and 3P status.

In addition, under the Farmin agreement for PEL 218, seismic studies will commence in October 2008. PEL 218 is located in the Nappameri Trough near Moomba in South Australia. Icon has farmed into this block to earn a 33.33% working interest in the Mesozoic sedimentary play. The seismic data is programmed to firm up several plays and the first well is scheduled to be drilled by October 2009.

**Yours faithfully**

A handwritten signature in black ink, appearing to read "R James".

**Raymond James**  
**Managing Director**