

18 May 2007

## **ASX Announcement**

### **New Uranium Project and Fast Tracking of NSW & Tas. Drilling**

Icon Resources' Board of Directors is pleased to provide shareholders with the following update on a new project in southeast Queensland and drilling in NSW and Tasmania.

#### **Helidon, Queensland (III:100%)**

- Icon Resources has applied for tenement EPMA16454 which covers the Helidon area, 60km west of Ipswich. While no systematic uranium exploration has been conducted in the past, ground waters in the area are significantly anomalous in radon ( $Ra_{226}$ ), a daughter product of the natural radioactive decay of uranium. Historical drilling has determined that the area is screened by a thin sequence of Mesozoic sediments.

#### **Grenfell & Hiawatha Gold, NSW plus Professor Zinc, Tas. (III:100%)**

- Icon Resources has sourced a second rig to commence June drilling of a series of IP/Niton anomalies delineated within Icon's Grenfell and Hiawatha licences. These areas were previously scheduled to be drilled after completion of the initial Tara program. However, the Tara drilling is now likely to be extended following preliminary encouraging aircore results (Niton) and a revised interpretation of a mineralised zone following completion of 25 line-km of Electrical Resistivity Imaging (ERI).
- Icon has sourced a third rig to commence diamond drilling at the Professor Zinc Project in western Tasmania where Icon's recent 3D-IP survey has defined a number of untested chargeability anomalies that lie outside all historical drilling.
- Tara drilling is continuing and Icon will update shareholders with an interim report, expected in mid June.

*Managing Director Dr John Bishop commented that Icon continues to build a uranium exploration portfolio through identifying previously un-recognised prospective targets. Meanwhile, the extra rigs for the Professor Zinc Project and Grenfell & Hiawatha Gold fields enable Icon to fast track the further evaluation of these projects where Icon has already identified geophysical anomalies. "This will turn the conveyor speed up a notch or two" Dr Bishop recently stated.*

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**Helidon, EPMA16454, (Qld-Uranium) III 100%**

Icon Resources Ltd has lodged an application for an Exploration Permit at Helidon, 60km west of Ipswich (Figure 1). Geological Survey of Queensland stratigraphic drilling in the 1960s and more recent airborne magnetic survey data indicate that a thin sequence of Mesozoic sediments overlies a granite at a depth of around 300m just north of Helidon township. The basement also includes volcanics as another possible uranium source. The Mesozoic sediments lapping onto the basement consist of piedmont fan gravels, sands and carbonaceous silts which are ideal for uranium deposition.

Spring water at nearby Helidon Spa carries anomalous radon  $Ra_{226}$ , a daughter product of the natural radioactive decay of uranium. Measured radon activity concentrations lie in the range 0.5 - 1.3 Bq/L which exceed the recommended drinking water guidelines for livestock. The use of soil radon measurements in uranium prospecting is well established.

The exploration program at Helidon will include soil, stream and groundwater geochemistry and electromagnetic surveys, followed by drilling. The target will be high grade roll-front uranium deposits in the buried Triassic sediments abutting the granite possibly with uranium mineralisation in the unconformity style.

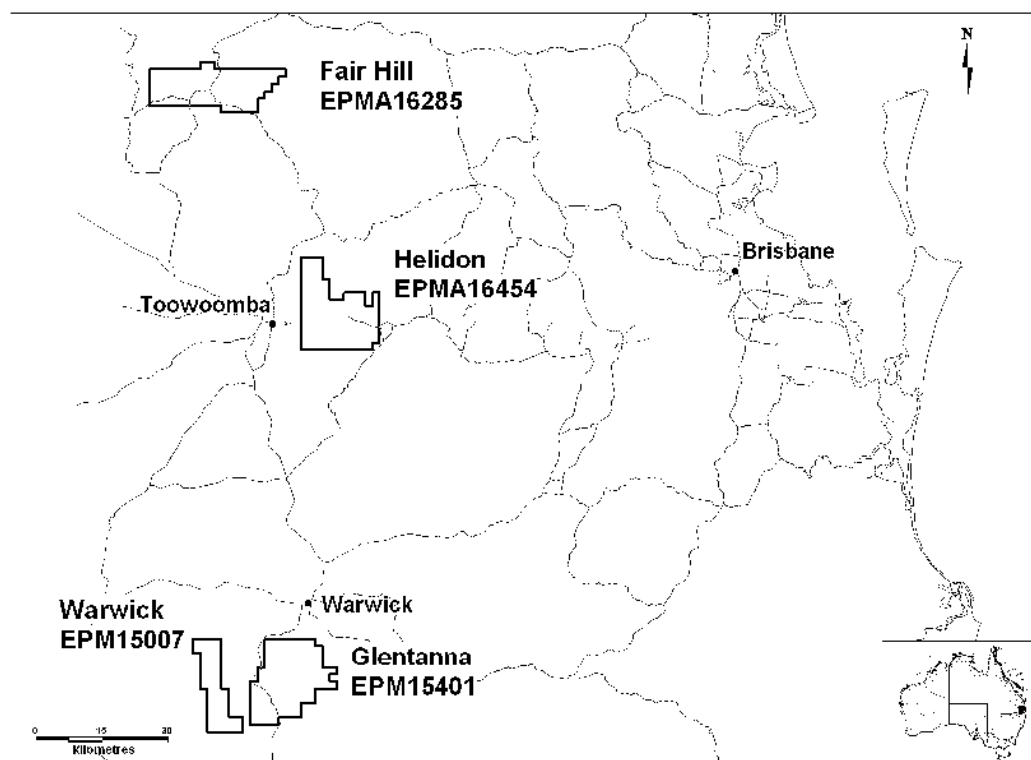


Figure 1. Location plan of Icon's permits in SE Qld, including new application Helidon (EPMA16454), which will be explored for uranium.

### Professor Zinc (Tas – zinc) III 100%

A partial plan of preliminary results from a 3D-IP survey around the Grieves Siding area of the Professor Leases in western Tasmania was presented in our 27 April announcement. A preliminary plan of all of the data is shown in Figure 2.

Icon has sourced a third rig to commence diamond drilling in June, with the northern 750m long chargeable anomaly being a high priority. Drilling on the west coast of Tasmania in winter is ‘unusual’ but Icon regards these targets as being exceptionally prospective

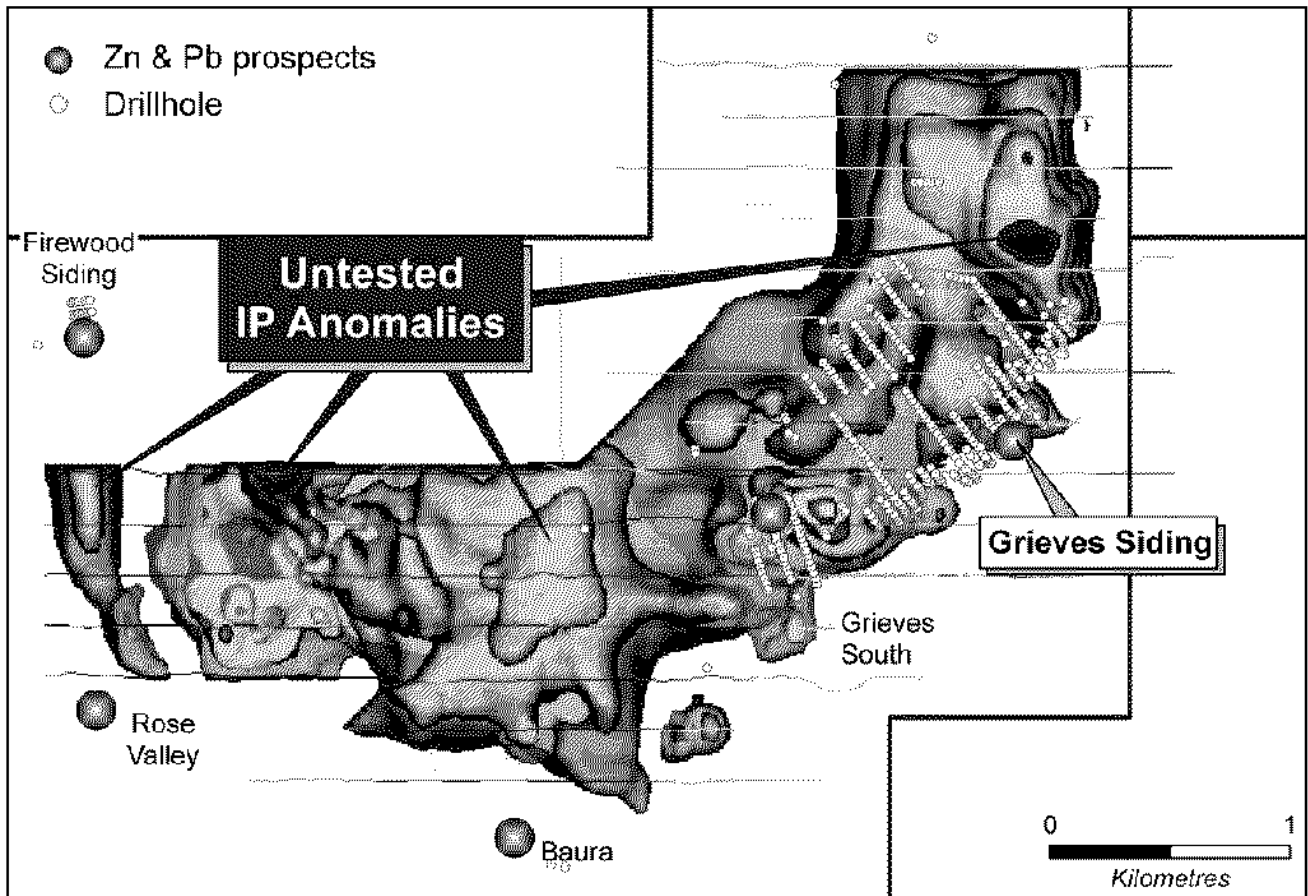


Figure 2. A preliminary plan of 3D-IP chargeability in the Grieves area, Professor Leases, western Tasmania. This plan shows a western extension (with at least two more anomalies) to the plan shown in our 27 April announcement. The more obvious responses are indicated, but other areas such as Grieves South are also of immediate interest.

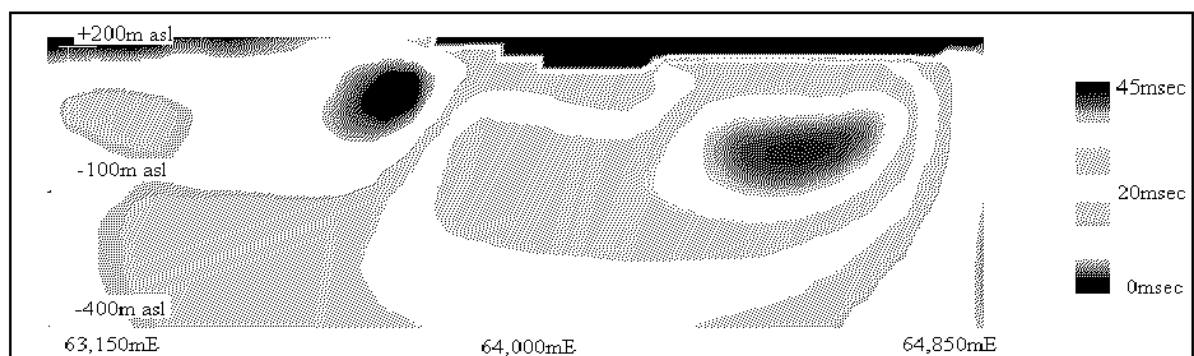


Figure 3. A north-looking cross-section of the chargeability response immediately to the north of the Grieves Siding Fault. The very low chargeabilities of the hangingwall and footwall quartzites are evident with a clearly defined chargeability high within the prospective carbonates. This source is interpreted to be sulphides, hopefully with associated sphalerite.

**Grenfell, EL6559 and Hiawatha EL6670 (NSW - gold) III 100%**

The drilling at the Tara tin project in central NSW is encouraging and Icon has decided to increase the metreage and a second rig has been sourced for Icon's other two key NSW projects. This is scheduled to start in mid June at the Grenfell and Hiawatha leases in central NSW.

As has been previously announced, 3D-IP surveys have been carried out in both tenements while a Niton soil survey has also been conducted at Grenfell. Low tenor, but well defined chargeability responses were obtained at the western and eastern ends of the Grenfell grid and these, together with an area of anomalous arsenic results, have defined a number of excellent drill targets.

Three areas of old gold workings were covered with a 3D-IP survey at Hiawatha earlier in the year and the central zone recorded elevated chargeabilities. A Niton soil survey is scheduled for early June to further refine the drill targets.

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| <p>For further information, contact John Bishop, Managing Director 02 9279 1252 or 0418 373 429<br/>Digital copies of this and other reports are available on our website <a href="http://www.iconresources.com.au">www.iconresources.com.au</a>.<br/>To receive email copies of future releases, subscribe by email to <a href="mailto:info@iconresources.com.au">info@iconresources.com.au</a></p> |
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