11 September 2007

ASX Announcement

Foresthome Acquisition

Icon Resources' Board of Directors is pleased to provide shareholders with the following update on Icon's recent acquisition of the Foresthome permit and an application for surrounding ground.

Foresthome Copper-Zinc, Central Qld (III: 100%)

Icon has acquired the Foresthome permit (EPM13961) which contains the Develin Creek copper-zinc deposits in central Qld. Icon has also applied for a large area of prospective ground surrounding Foresthome which includes continuation of the prospective horizon (EPMA16665, Fitzroy: see Figure 1).

The Develin Creek prospect consists of two separate deposits: *Sulphide City* and *Window/Scorpion* for which a previous explorer, Outokumpu Mining, estimated a total inferred resource of 0.9Mt at 2.3% Cu + 3.3% Zn using a 2% Cu equiv. cutoff (Figure 2). Icon is in the process of verifying this estimate meets JORC compliance.

The company is initially targeting exploration to increase this resource to 1.5 to 2 million tonne at similar grades to provide critical mass to commence studies on a potential mining operation. It also notes that there are a number of small undeveloped base metal resources in the area held by other mining companies.

Icon have budgeted an initial $0.5M to be spent on:

(a) verification and upgrading of the existing resource to a JORC standard
(b) extensions and repetitions of the ore systems within the immediate area
(c) compilation of the surrounding data within the Fitzroy application to identify further targets

The acquisition cost is 1.5 million Icon shares.

Managing Director Dr John Bishop commented that "with the processing of the Tasmanian zinc now moving forward under the joint venture with Rogers Chemical Engineering, we have been looking for specific copper opportunities. We believe that copper will experience a prolonged period of high demand/low supply and we are particularly excited by this acquisition which provides shareholders with significant undeveloped copper resource. The prospectivity of the region is also highlighted by the presence of the historic Mt Morgan mine which is ~80km to the southeast of Foresthome."

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Prospect History, Style of Mineralisation and Resource

The Develin Creek mineralisation was discovered by Queensland Metals in the early 1990s by tracing weakly mineralised float to a small window of Permian volcanics in an area of widespread Tertiary cover. Following the discovery, the area formed part of a regional joint venture with Outokumpu Mining in the mid-1990's targeting VHMS-style base metal deposits.

The two known deposits at Develin Creek, *Sulphide City* and *Window/Scorpion*, are believed to form part of a concealed volcanic hosted massive sulphide (VHMS) mineralising system. The *Sulphide City* massive sulphide lens is a gently dipping body more than 100 m below the surface overlain by another small lens ('*Sulphide Heights'*). *Sulphide City* plus *Sulphide Heights* were estimated by Outokumpu to contain 0.6Mt at 2.3% Cu + 4% Zn, while the *Scorpion* body 500m to the southwest, consisting of a reworked breccia mineralisation, was calculated to contain 0.3Mt at 2.5% Cu + 1.8% Zn. A zone of supergene mineralisation within the adjacent *Window* alteration was not included because of very erratic distribution of grade assays.

Outokumpu estimated a total (non-JORC) resource of 0.9Mt at 2.3% Cu + 3.3% Zn at Develin Creek, but focused on evaluating the regional potential of the host volcanic sequence rather than exploring for extensions to the known mineralization. This estimate incorporated data from 49 diamond drillholes and extensive percussion drilling completed at the prospect, supported by density determinations from mineralised core intersections.

The estimation was a conventional (manual) sectional estimation, made using a 2% Cu eqv. cutoff value with the Cu% eqv. defined as Cu% + Zn% / 2.5. Because of the low drilling density compared to the small size of the bodies and the possibility for some contamination in the percussion holes, the reliability of this estimation was classified as ***Inferred***.

Icon have engaged Perth-based Geostat Services to remodel the mineralisation in order to assist the estimation of a JORC compliant resource.

Exploration Targets within Foresthome (EPM 13961)

Icon have budgeted an initial sum of $0.5M to be spent on exploration at Fitzroy/Foresthome. Although previous drilling on 50m centres has essentially delineated the mineralised bodies at *Sulphide City* and *Scorpion*, there are several targets in the near vicinity. They include:

- Potential supergene mineralisation associated with the upper lens of the *Sulphide City* system and the near-surface portion of *Scorpion*.
- Thin bedded sulphide exhalative sediments intersected down-dip from both *Sulphide City* and *Scorpion* may be associated with ribbons of sulphides extending away from the primary mineralised centres.
- The *Scorpion* body may extend to the west beneath thickening Tertiary cover, where adjacent geophysical and regolith geochemical anomalies remain unresolved.
- The structural corridor hosting the known mineralisation is essentially untested to the west of *Window-Scorpion* and modern geophysical methods may be capable of detecting additional mineralisation beneath the conductive cover.

Previous exploration has identified a number of prospects exposed along the edge of the Tertiary cover to the south of Sulphide City which could form part of a local VHMS cluster, with potentially significant mineralisation at depth or concealed beneath cover. These prospects include:

- At *Redback* (~2.5km to the south) pyritic alteration in the host volcanic is associated with elevated zinc adjacent to mineralised gossanous float.

- At *Tarantula* (~1km further south) gossanous float containing minor sphalerite / barite occurs near an unresolved EM anomaly.
- At *Sulphide Suburb* (~ 1km further south) zones of pyritic veining are spatially associated with a series of chert horizons extending under cover.

Exploration Targets within Fitzroy (EPMA 16665)

Icon's Fitzroy application covers both outcropping and concealed extensions of the Permian Rookwood Volcanic sequence hosting mineralisation within Foresthome. A number of VHMS targets have been previously identified in this belt and warrant further exploration, including copper-zinc mineralisation identified by QMC and Outokumpu at *Comanche* approximately 40km to the south..

Icon plans to re-evaluate the extensive regional geochemical and geophysical datasets in conjunction with the search for extensions to the known mineralisation.

For further information, contact John Bishop, Managing Director 02 9279 1252 or 0418 373 429
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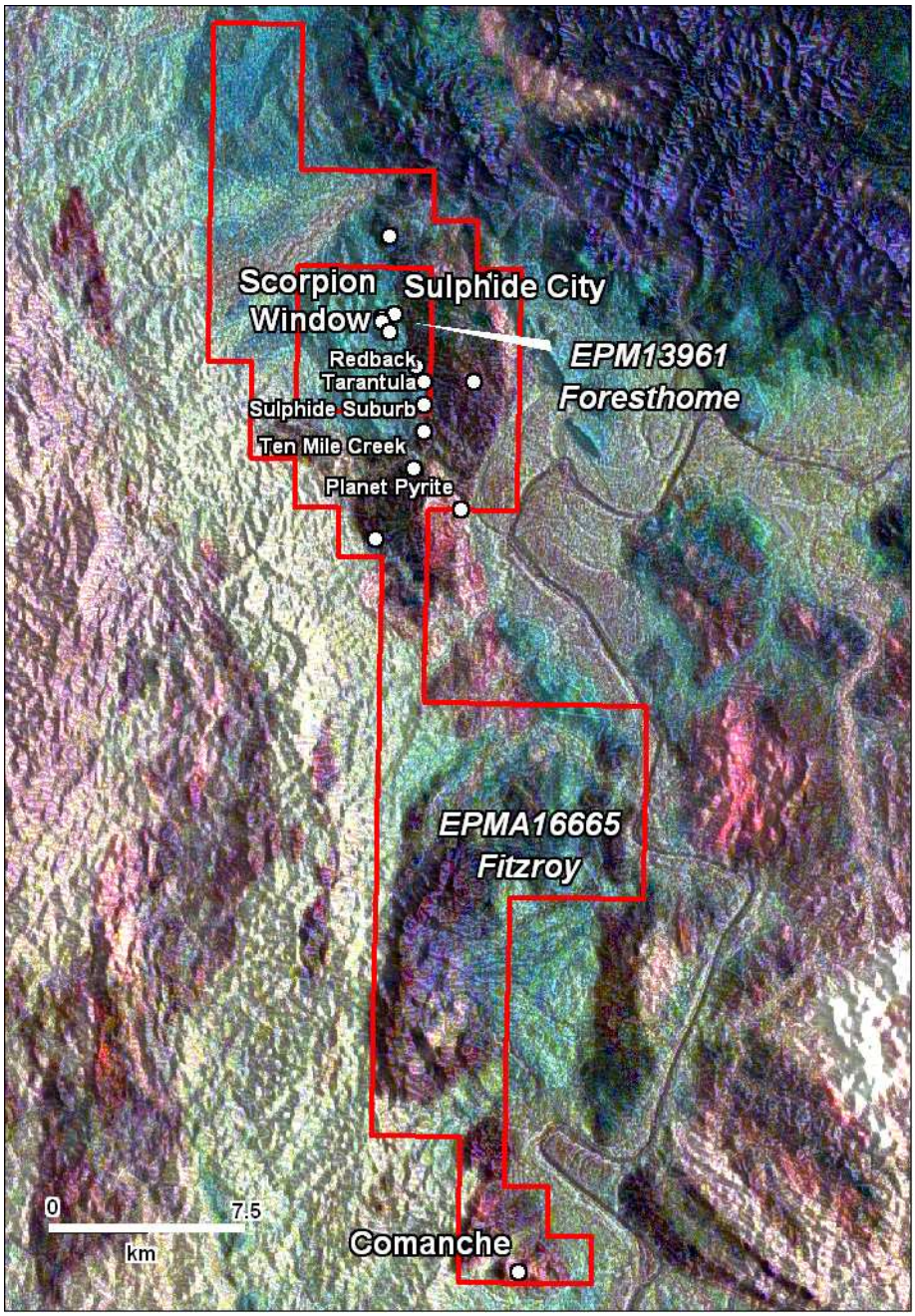

Figure 1. EPM 13961 *Foresthom*e and surrounding EPMA 16665 *Fitzroy* with previously identified base metal prospects (background radiometric 'ternary' image mapping basement lithologies).

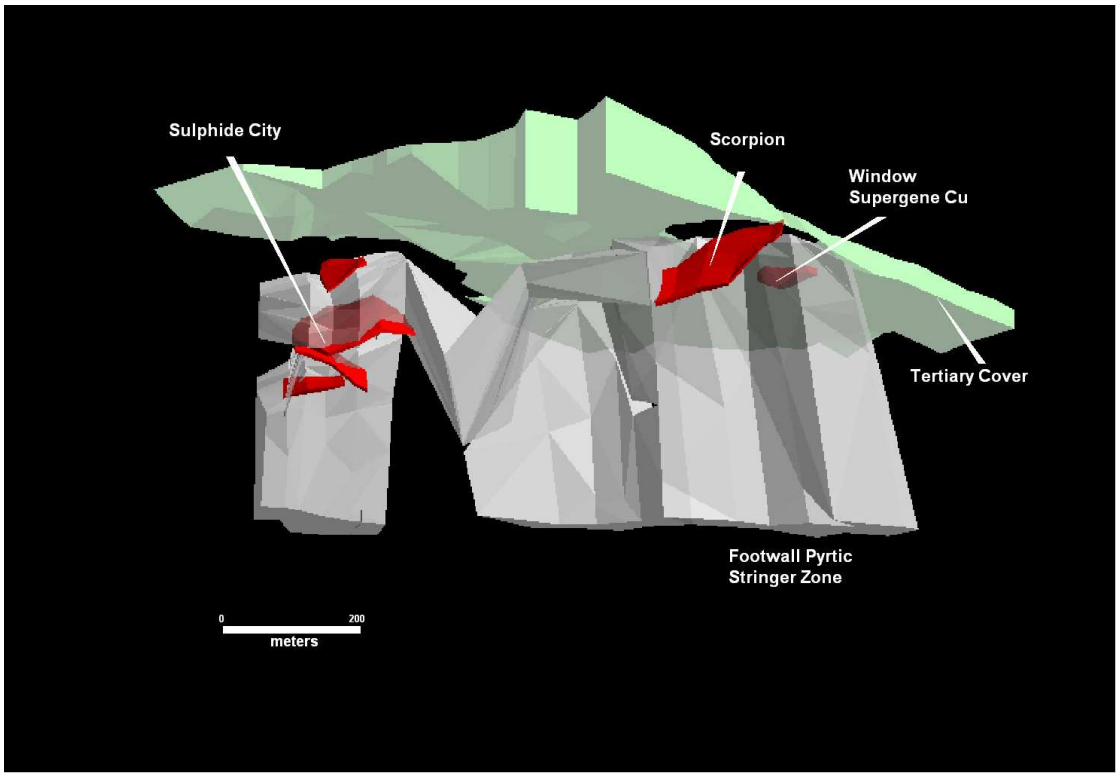

Figure 2. Preliminary geological model of the Develin Creek VHMS deposits. (Icon has engaged Geostat Services to remodel the existing drillhole data to facilitate the estimation of a JORC compliant resource.)

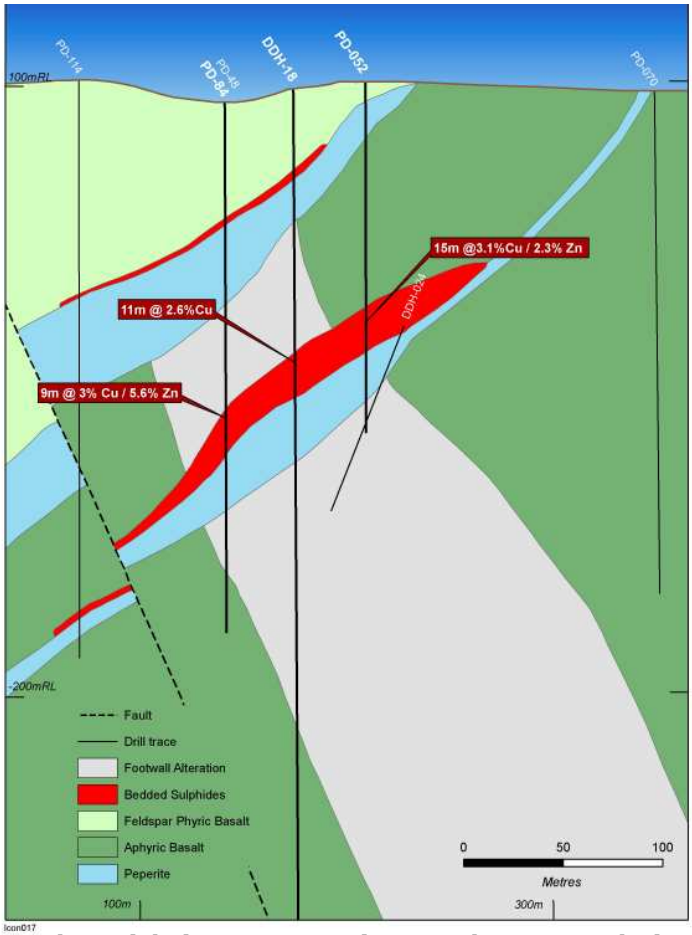

Figure 3. Cross-section through Sulphide City mineralisation showing stacked and faulted lenses of massive sulphides.