Quarterly Report for Period Ended 31 December 2008

Icon Resources Ltd ('Icon') is pleased to provide the following report on the Company's activities for the three month period ended 31 December 2008. Background information on the projects reported here along with information on the Company's other tenements are available on the website at www.iconresources.com.au.

Highlights

- Icon is negotiating with major international tungsten producers, resource financiers and several European and Asian off-takers to participate in the re-development of the Mt Carbine Tungsten Mine. Negotiations are sufficiently advanced that the Company is confident the project can be re-developed and funded in a manner which delivers significant shareholder value.

- Metallurgical testwork has been completed on composited samples from both #3 and #4 tailings. The results indicate that good recoveries with low levels of impurities are readily achievable.

- Process flowsheets have been developed for both the initial recovery of concentrates from tailings and the staged development of hard-rock resources adjacent to the existing open cut mine.

- High-grade scheelite and wolframite concentrates produced from #4 tailings have been requested and dispatched to a number of tungsten consumers for evaluation.

- Re-interpretation and evaluation of historical drillcore at Mt Carbine has confirmed zones of high-grade mineralisation beneath the current open pit and extensions to the NW.

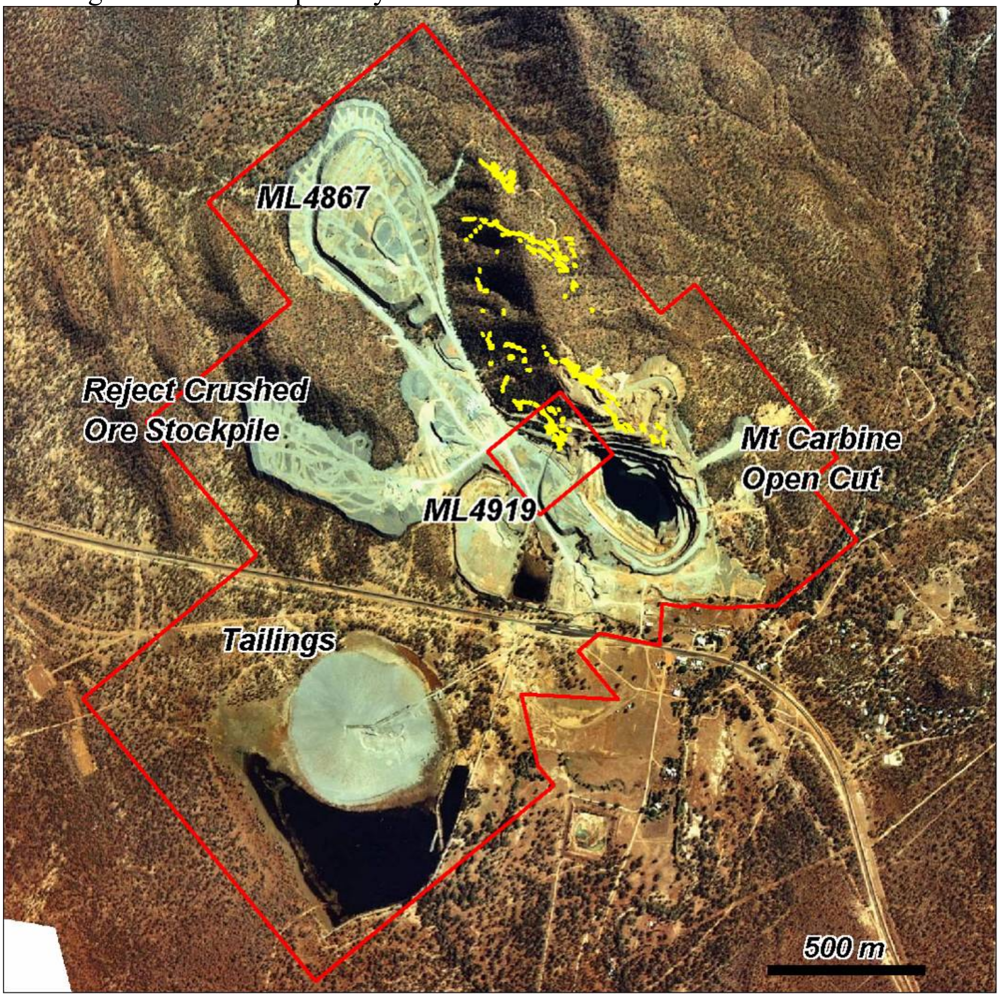
- The Company is instigating a capital raising to raise a planned minimum of $250,000. Details will be announced shortly along with Icon's strategy to acquire a processing plant with minimal cash funding.

Managing Director Dr John Bishop said "Momentum on the Mt Carbine project is accelerating with the metallurgical results confirming the tailings as a viable project. However, the extended open pit project is the 'main game' and this has also advanced by applying modern modelling tools to the old drill data. The stability of the tungsten price and weaker A$/US$ exchange rate has also significantly enhanced the project economics."

MT CARBINE: Tungsten, NORTH QLD (III 100% ownership of mineral rights)
Tenements: Granted Mining Leases MLs 4867, 4919
Target: Bulk tonnage sheeted wolframite-scheelite veining.

As previously announced Icon has acquired the rights to 100% of the Mt Carbine tungsten mine near Cairns in north Queensland. Prior to its closure in the mid 1980s, Mt Carbine was Australia's largest tungsten producer with extensive mineralisation delineated beneath and adjacent to the existing open cut.

Icon has been assessing the tailings as a rapid and low-cost entry into production. This work is now essentially complete and has confirmed it as a viable project. Some of the parties evaluating Mt Carbine are primarily interested in the tailings. Given its short term nature and immateriality to the total project value, Icon may outsource the tailings project and continue to focus on the hardrock open pit feasibility study. This would provide useful cashflow without distracting management from the main goal which is the primary ore.



Mt Carbine Tungsten Project – Aerial View of Mining Leases showing the open cut, tailings and waste dumps. Old workings (effectively un-explored) are shown as yellow dots.

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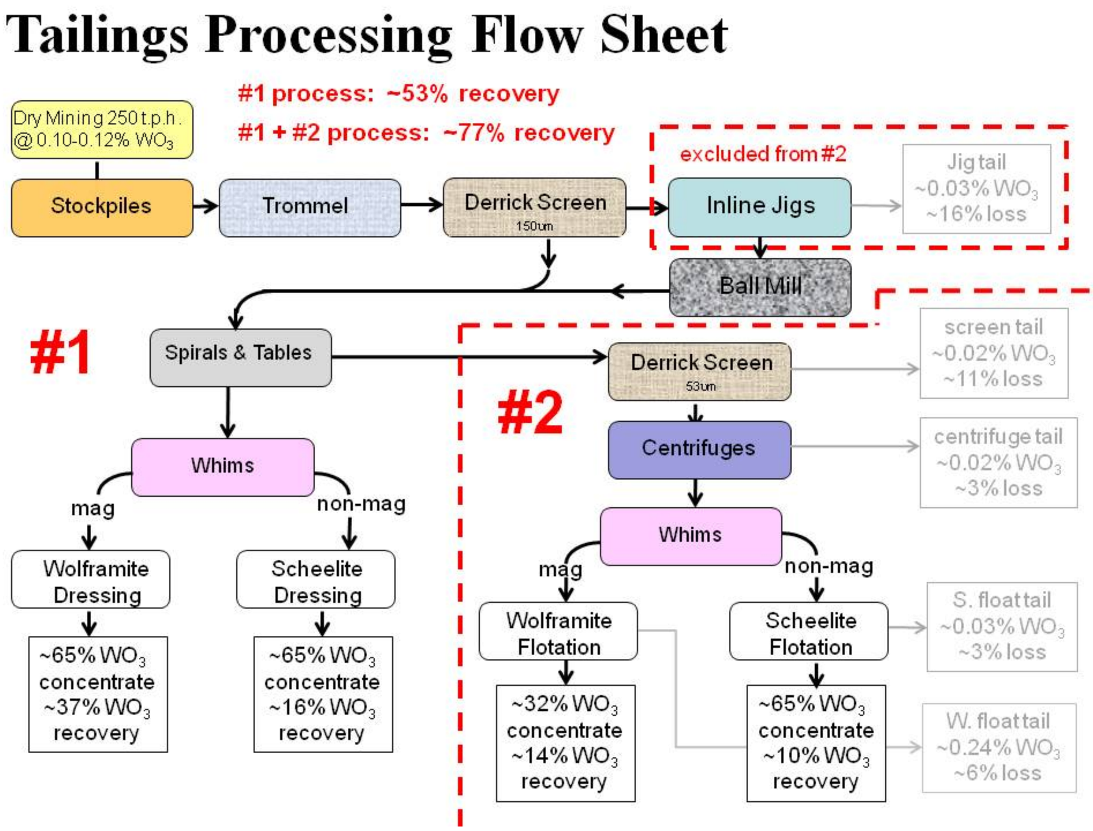
Tailings

In addition to the compilation of historical sampling and metallurgical characterisation of tungsten-bearing tailings at Mt Carbine, Icon has completed a series of bulk sampling programs to validate grade estimates and provide material for on-going testwork.

During the quarter, processing of representative composited samples has confirmed that recovery (50-53%) of high-grade (~65% WO_3) concentrate can be achieved via gravity separation through a simple spirals / tables circuit, with higher recoveries (~75%) of a lower but still acceptable grade (~45% WO_3) concentrate with the incorporation of centrifuges and flotation.

Process flow sheets and preliminary plant costings for tailings treatment have been developed by Icon's metallurgical consultants, with definitive capital and operating costs to be finalised in early 2009.



Simplified Mt Carbine Tailings Flow Sheet

Analysis of high-grade scheelite-wolframite concentrates produced during the trial processing of composite samples from the #4 tailings has confirmed very low levels of deleterious associated metals. Samples have been delivered to a number of tungsten consumers for evaluation.

Samples of tailings have also been requested by producers of tungsten products to conduct their own metallurgical tests. Results from these are expected within the current quarter.

Mt Carbine Resource Definition

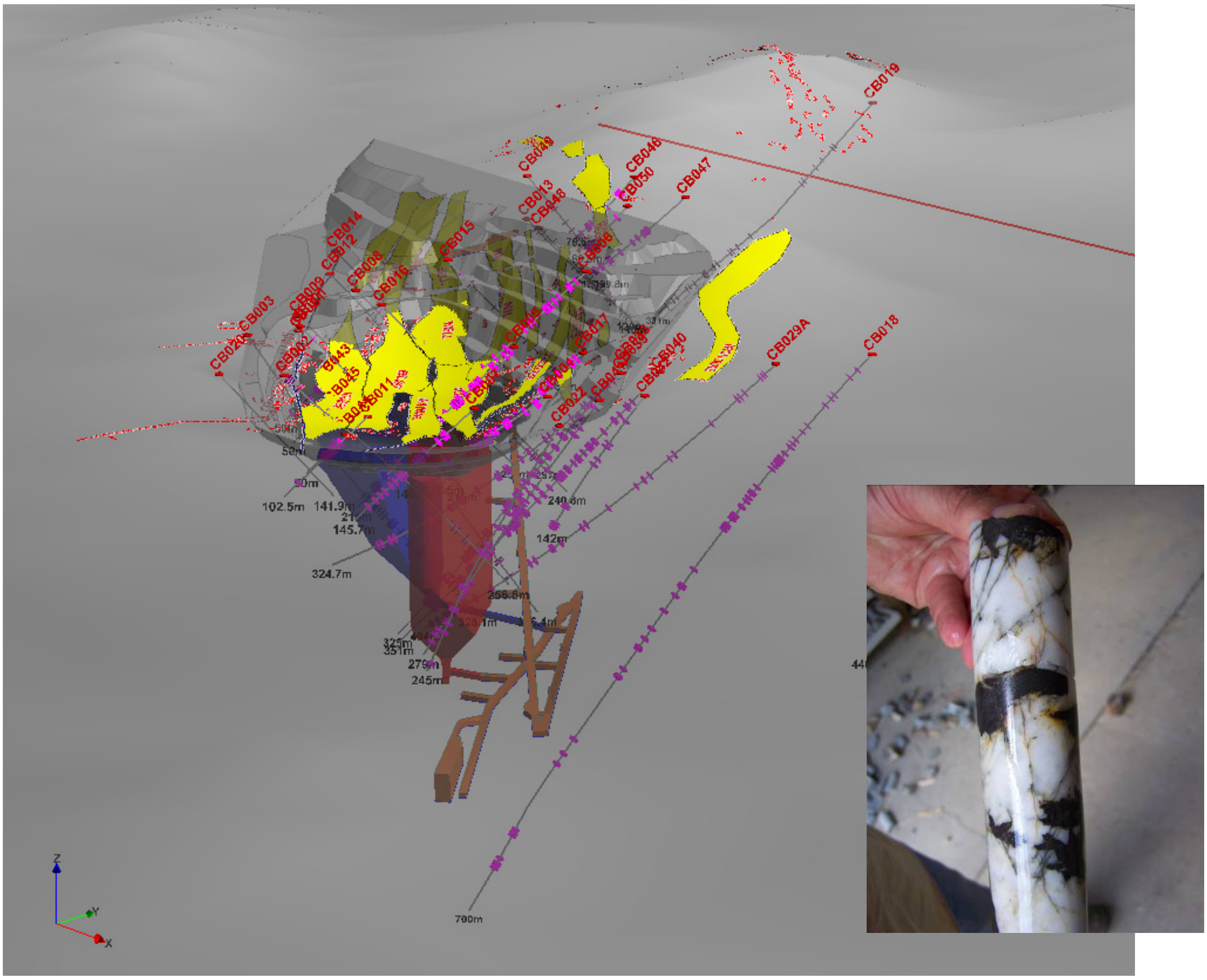
When mining operations ceased at Mt Carbine in the mid-1980s significant undeveloped resources remained within the open pit and substantial underground development (including a 500m decline) had been completed to access mineralisation extending below the pit.

Tungsten mineralisation descending into the floor of Mt Carbine open cut (1986)

Icon has commenced re-evaluating historical data and drillcore to generate a geological model for these resources, and identify potential extensions to the known mineralised zones.

Re-logging of historical drillholes has confirmed extensive wolframite-bearing quartz veining beneath the current floor of the pit and in several shallower zones extending to the NW of the pit. Widespread scheelite mineralisation is also evident, with potentially significant quartz-scheelite veining developed within metabasalt lithologies to the NE of the pit.

Sampling and analysis of the historical drillcore will be used to plan resource definition drilling throughout 2009, and constrain open pit expansion and underground development options.



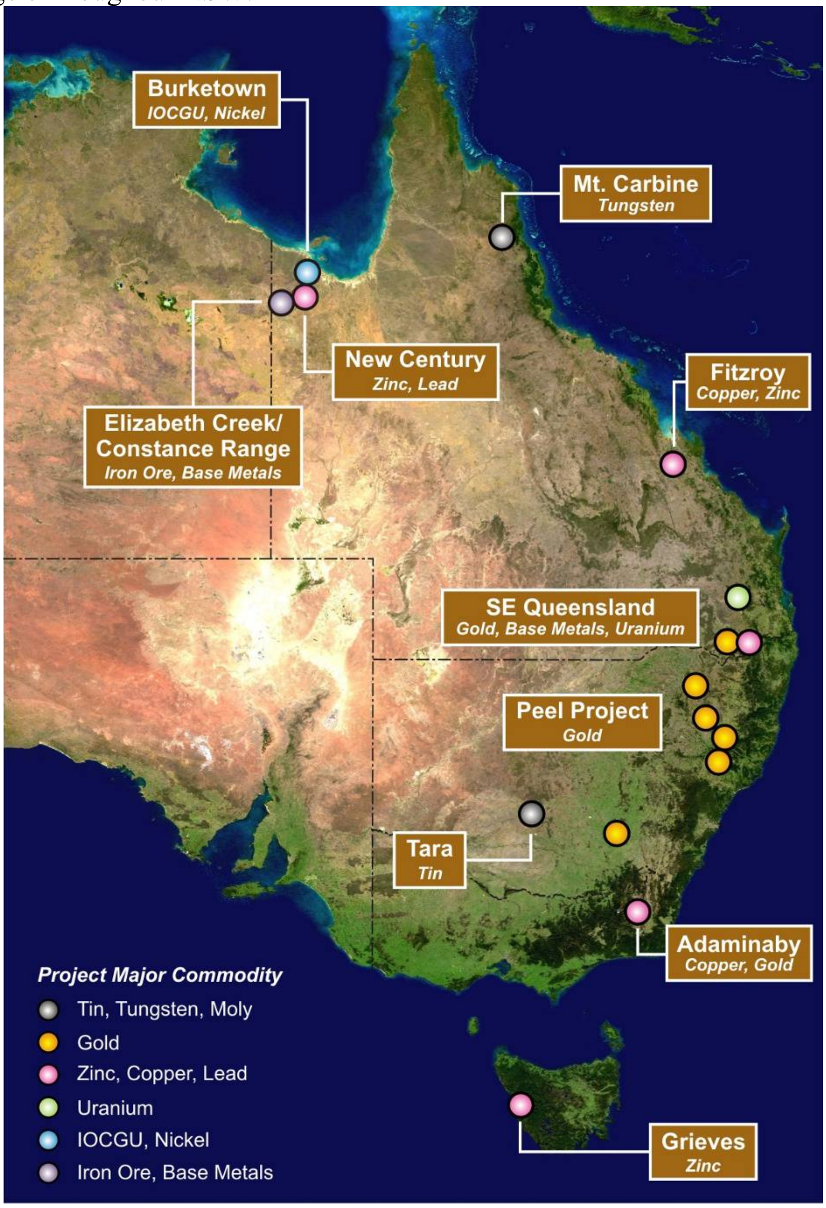
Mt Carbine – historical tungsten mineralisation (pink) drilling intersections adjacent to and beneath the current open cut. This 3D perspective also shows known mineralised zones (yellow and green), proposed stopes (blue and red) and underground development (orange).Insert shows high-grade coarse wolframite veining intersected to the NW of the current pit.

In the coming quarter the following programs will be undertaken to progress the early development of the tailings, and confirm the longer-term potential of Mt Carbine.

- Finalisation of tailings process flow sheet and refinement of the financial model.
- Ongoing negotiations with tungsten off takers and strategic partners.
- Completion of resource evaluation adjacent to the existing open cut utilising historical drillcore and pit exposures. (drill testing of resource extensions planned in late 2009)

EASTERN AUSTRALIAN MINERAL EXPLORATION PORTFOLIO

Icon Resources has established an extensive portfolio of multi-commodity mineral exploration and development projects throughout Eastern Australia, including large tenement holdings in the Mt Isa mineral province, highly prospective base metal terrain in central Queensland, and gold, tin and base metal targets throughout NSW.



Icon's portfolio of exploration and mining interests in Eastern Australia

While the current focus is on generating near-term cash flow through the treatment of tailings at Mt Carbine, Icon intends to continue evaluation of these projects by establishing joint ventures, with less prospective areas progressively relinquished to minimise expenditure commitments.

During the quarter this strategy has been advanced as follows:

- In Central Queensland longer-term tenure has been granted over copper-zinc resources and surrounding prospective terrain. Evaluation of the Fitzroy Project (EPM 17604) will initially involve low-cost data compilation and interpretation, with partners sought to test extensions to the currently defined mineralisation.

- In North-West Queensland, Icon's tenure within the Constance Range Iron Ore Province has been enhanced with an additional EPM application lodged over prospective ground surrounding the granted Elizabeth Creek Permit. Negotiations are continuing with several groups to jointly evaluate options for the development of these deposits.

- In the adjoining New Century Project covering base metal targets within the Lawn Hill platform a number of tenement applications are proceeding towards grant and active discussions are proceeding with potential JV partners. Further to the east, tenure over lower-priority deep conceptual targets at Leichhardt has been relinquished.

- In NSW, exploration licences within the Peel Gold Project have been renewed over the most prospective targets, with data compilation to be completed prior to the establishment of one or more joint ventures. Areas which have been surrendered include Hiawatha in central NSW which was drilled with disappointing results and Golden Crystal in NE NSW which would have been logistically difficult.

CAPITAL RAISING

Management is focussing on the Mt Carbine project with the aim of fast-tracking a long life open pit operation which provides maximum shareholder value. The metallurgical testing of the tailings is now effectively complete and the viability of this project confirmed with the potential to outsource this short term project. Expressions of interest from offtakers to purchase Mt Carbine concentrates have been received which cover both the tailings and the +10 year planned production from the expanded open pit.

The next step is to acquire a processing plant and our discussions are approaching completion. However our cash position has now fallen below acceptable levels and the Company is instigating a capital raising. Details including pricing and record date will be issued shortly, but the Directors have agreed that if necessary, they will offer a Share Placement to which the Directors (with shareholder approval) will subscribe, to ensure that at least $250,000 is raised.

Dr John Bishop
Managing Director

The information in this report that relates to Exploration Results is based on information compiled by Dr John Bishop, who is a member of the Australian Institute of Geoscientists. John is a full-time employee of Icon and has sufficient experience relevant to the styles of mineralisation and types of deposits under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Bishop consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Icon at a Glance

Directors
Dr Andrew White, Chairman
Dr John Bishop, Managing Director
Mr Stephen Bartrop, Director

Company Secretary
Mr Robert Waring

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Email: info@iconresources.com.au

Number of Shareholders
At 31 December 2008 Icon had 648 shareholders.

Major Shareholders
The share register records the following as major shareholders at 31 December 2008:

Shareholder	%
S Bartrop and associates	11.82
G Fallon and associates	7.77
J Bishop and associates	6.57
R Lewis and associates	5.95
A White and associates	5.76
L Pretorius	5.36
G. Nicholson	5.32
JP Morgan Nominees	3.58
D Milburn	2.70
Neil Watson and associates	1.99
St Jude Exploration Pty Ltd	1.22
Pathold No107 Pty Ltd	1.13
Gage Resources Pty Ltd	1.13

ASX Code
The Company's ASX code is III

Cash Balance
At 31 December 2008 Icon's cash balance was approximately $53,000.

Issued Capital
At 31 December 2008 Icon's issued capital was 55,918,311 ordinary shares, 2,962,554 listed options (exercise price 35 cents; expiry date 30 June 2009) and 2,860,870 unlisted options exercisable at 30 to 45 cents.

Shareholder Enquiries
Matters relating to shares held and change of address should be directed to the share registry:

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Level 2, 45 St Georges Terrace
Perth WA 6000
Ph: +1300 557 010

To receive Icon's announcements by email,
fax to: 02 9279 2727
or email to: *info@iconresources.com.au*

Website
Please visit Icon's website for the latest announcements and news:
www.iconresources.com.au

General Enquiries
Contact John Bishop on 0418 373 429