Update on Non-Renounceable Rights Issue to raise approximately $7.15 million is to allow the transition of Icon Resources from explorer to an Australian Tungsten Producer

- The Icon Directors decided on the current discounted rights issue to allow all shareholders the opportunity to contribute towards the Company's transition to producer status without being diluted, as would have been the case if other alternative third-party sources of funds were pursued through a placement, where new shareholders are introduced.
- Funds raised from the Rights Issue will allow Icon to complete the first stage of its three stage strategy of turning the Company into the leading Australian Producer of Tungsten Concentrates and develop a reputation as a reliable long-term supplier of quality tungsten concentrates to the international markets.
- The three stage Strategy is:
  - **Stage 1** is to produce tungsten concentrates from the Mt Carbine Tailings for two years at a production rate of 50 tonnes (5,000 metric tonne units or mtu) per month of WO_3 in the concentrate;
  - **Stage 2** is to produce tungsten concentrates from the low grade stockpiles for a further five to seven years at a production rate of 100 tonnes (10,000 mtu) per month of WO_3 in the concentrate (to commence prior to end of year 2 in Stage 1); and
  - **Stage 3** is to commence production from the hard rock mine in time to increase market share before the low grade stockpile processing comes to an end. The hard rock mine will have a minimum production rate of 200 tonnes (20,000 mtu) per month of WO_3 in the concentrate.
- The equipment for the tailings re-treatment has been inspected and the Vendor has accepted a Letter of Intent to Purchase, subject to finance.
- The outcome of a successful Rights Issue will see Icon on its path to becoming one of the major producers of Tungsten Concentrates in the world and should see Icon Resources becoming a significant mining company in Australia.
- The closing date for the pro-rata Non-Renounceable Rights Issue of 8 New Shares for every 10 existing shares held, at an issue price of A$0.075 per New Share, is **12 July 2011** at 5:00pm Sydney time.
- Payment for shares applied for can be made using Bpay® if accepting part or all of an entitlement and for applying for additional shares under the offer.
- The funds will be used for:
  - Purchase and construction of the Tailings Processing Plant;
  - Further exploration drilling at Mt Carbine and Tara;
  - Feasibility Study for the Low Grade Stockpiles;
  - Corporate Costs and Working Capital; and
  - Expenses of the Rights Issue.

- Shareholders who have misplaced their Offer Document or Entitlement and Acceptance Form, or need further information please call the Icon's Share Registry on 1300 583 350 or on +61 3 9415 4641 for assistance.
- The Icon Directors strongly recommend all shareholders to benefit from this opportunity to participate in the long-awaited growth of their Company by taking up their rights and thereby not having their equity diluted, as detailed more fully in the Offer Document dated 15 June 2011.

For further information regarding this announcement contact:

Ian Sheffield-Parker
Managing Director

Icon Resources Ltd
Ph: +61 (0) 409 989 960
+61 (0) 7 4078 6290
Email: iansp@iconresources.com.au

8 July 2011

Further information relating to Icon and its projects can be found on the Company's website at www.iconresources.com.au.