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**Ithaca Energy Inc.
Update on drilling of the Carna Prospect**

London, UK - Calgary, Canada, 19th February, 2009 – Ithaca Energy Inc. (“Ithaca” or “the Company”) (TSX Venture: **IAE**, LSE AIM: **IAE**) and its wholly owned subsidiary Ithaca Energy (UK) Limited, an independent oil & gas company with exploration, development and production assets in the UK sector of the North Sea, announces that the 42/21b-5z well has reached a total depth of 10029ft True Vertical Depth Subsea (TVDSS) and coring operations are currently taking place..

The well, operated by Venture North Sea Gas Limited, is located at the crest of a prominent structure and lies adjacent to the producing Garrow and Kilmar gas fields. The Joint Venture has agreed to deepen the well and operations continue by running a 270 ft section of core through anticipated Lower Leman Sandstone and underlying Namurian Millstone Grit Formation (Carboniferous) to accurately assess the reservoir properties and thickness of any sands. After coring, it is planned to further deepen the well to approximately 11200 ft TVDSS, which coincides with the depth of the structural closure of the Carna prospect.

The Carna well was spudded on 26th December 2008 utilising the rig, Ensco 92, and was mechanically sidetracked at 2,918 ft TVDSS on 23rd January 2009. Should the well be tested, the Ensco 92 rig may remain at this location until at least mid March 2009, otherwise the rig will be released by the end of February 2009. On completion of Carna operations, the rig is scheduled to proceed to the Inner Moray Firth to complete and tie-in Ithaca’s Jacky development across the nearby Beatrice field production facility.

The co-venturers involved in the Carna prospect are Venture (56%, operator), Ithaca Energy (UK) Limited (29.9%), Dyas UK Limited (10.1%) and EWE Aktiengesellschaft (4%).

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NEWS RELEASE

In accordance with AIM Guidelines, Lawrie Payne, MA Marine Geology (Alberta & Columbia) and Chairman of Ithaca Energy is the qualified person that has reviewed the technical information contained in this press release.

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Forward-looking statements

Some of the statements in this announcement are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of Ithaca Energy Inc. or its officers with respect to various matters. When used in this announcement, the words "expects," "believes," "anticipates," "plans," "may," "will," "should" and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcome to differ materially from those suggested by any such statements. These forward-looking statements speak only as of the date of this announcement. Ithaca Energy Inc. expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based except as required by applicable securities laws.

The term "boe" may be misleading, particularly if used in isolation. A boe conversion of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release.

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