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**Ithaca Energy Inc.
First Oil from the Jacky Field and
Resumption of Production from Beatrice Bravo Facility**

London, UK - Calgary, Canada, 6th April, 2009 – Ithaca Energy Inc. (TSX Venture: **IAE**, LSE AIM: **IAE**) and its wholly owned subsidiary Ithaca Energy (UK) Limited (“**Ithaca**” or “**the Company**”), an independent oil & gas company with exploration, development and production assets in the UK sector of the North Sea, is pleased to announce it has commenced oil production from the Jacky oilfield and restarted production from the Beatrice Bravo facility, as planned.

Initial production rates from the Jacky well and the Bravo facility are in line with expectations. Stabilised rates will be established and announced shortly. It is anticipated that Jacky and Beatrice production will average approximately 10,000 bopd gross during the course of 2009.

Co-venturers in Jacky are Ithaca Energy (UK) Ltd (67.275%) Dyas UK Limited (22.725%) and North Sea Energy (UK) Limited (10%).

Evaluation of Jacky field performance will lead to a decision, during 2009, on drilling a further well or wells. An independent evaluation of reserves by Sproule assigns gross proven and probable reserves of 5.1 million barrels to that field.

Iain McKendrick (Chief Executive Officer) said:

“This is a very significant achievement and a milestone for the Company. Ithaca can now look forward to substantial cashflows from its producing fields, which will then feed through to development activity at the recently discovered Carna gas field and to further appraisal activity on our strategically important Stella field in the Central North Sea later this year.

The Jacky development has been the major focus of our operational activity over the last 18 months. Our thanks go to the Ithaca development team, all contractors, the team on Beatrice Alpha, the field Co-venturers and the UK Authorities for helping to bring this development to fruition in a difficult time for the oil industry in general and for small independent companies in particular.

With Wood Group managing the offshore operations and delivering continuing improvements in Beatrice production rates, we are also pleased to see the increase in activity that our presence has generated in the local economy around Nigg and the Moray Firth”.

The Jacky field was discovered in April 2007 and development approval was granted by the UK authorities in November 2008. This field is located in Block 12/21c in the UK Continental Shelf, approximately 12 miles from the Moray Firth coastline and 6 miles from the Beatrice oilfield (held by Ithaca 74.75% and Dyas 25.25%). Jacky has been developed with a single production well, tied in through a normally unmanned wellhead platform, constructed by HSM Steel Structures BV, then via a subsea pipeline, installed by Subsea 7 Limited, to the Beatrice Alpha production facility. From there Jacky production is exported, along with Beatrice oil, to the Nigg Oil Terminal in the Cromarty Firth (also held by Ithaca 74.75% and Dyas 25.25%).

As part of the same field development activity, Ithaca has re-started production from the Bravo facility within the Beatrice field. This platform was shut in by the previous field owners, approximately 2 years ago due to pipeline integrity issues. Ithaca has replaced the pipeline and installed a water injection pipeline to improve oil recovery from the northern end of the Beatrice Field.

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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.

Not for Distribution to U.S. Newswire Services or for Dissemination in the United States*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.

NEWS RELEASE

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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