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Ithaca Energy

Signs US\$60 Million Pre-Field Development Plan Credit Facility with Royal Bank of Scotland

Calgary, Canada, April 10th 2008 – Ithaca Energy Inc (“**Ithaca Energy**”) (TSX Venture: **IAE**, LSE AIM: **IAE**) and its wholly owned subsidiary Ithaca Energy (UK) Limited is pleased to announce that the US\$60 million pre-development credit facility has now been signed and all conditions precedent have been met for first drawdown. In common with pre-development financings, full availability is dependent upon satisfaction of certain conditions subsequent, such conditions being under the control of Ithaca Energy.

The funds will be used by Ithaca to assist in meeting necessary early expenditures on two of its key operated development projects, Athena and Jacky. It is Ithaca Energy’s intention to replace this facility post approval of the respective field development plans with a syndicated borrowing base facility which will also incorporate its Beatrice acquisition. Advanced discussions are now underway to achieve this later this year.

Lawrie Payne, Chief Executive Officer of Ithaca Energy said “This is Ithaca’s first credit facility and as such represents an important milestone in the growth of the Company. This facility will assist, in particular, the design and construction of production facilities currently under way in order to achieve first production from Jacky by year end 2008”

READER ADVISORY

This news release contains certain forward-looking statements, including all statements which address activities, events or developments that Ithaca Energy expects, believes or anticipates will or may occur in the future. Such forward looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond Ithaca Energy’s control and which are based on various assumptions (including assumptions with respect to (i) availability of funds; and (ii) future capital expenditures) which may prove incorrect. Such risks and uncertainties include, without limitation the impact of general economic conditions in the areas in which Ithaca Energy operates, civil unrest, industry conditions, changes in laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and obtaining required approvals of regulatory authorities. **Please refer to the company’s Annual Information Form for the year ended 2006 and dated April 30th, 2007 and available for viewing at www.sedar.com, for a list of additional risk factors.** Ithaca Energy’s actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Ithaca Energy will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to Ithaca Energy or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Ithaca Energy does not undertake any obligation to update publicly or to revise any of the

included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

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

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