



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

Ithaca Energy Inc.

Stella Appraisal Exceeds Expectations

London, UK - Calgary, Canada, April 15, 2010 – 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 that the Stella field appraisal well (30/6a-8) has proved the presence of significant additional volumes of hydrocarbon and excellent quality reservoir. A successful Drill Stem Test (“DST”) has been performed providing critical information for development planning to now commence.

Well 30/6a-8 was drilled to appraise a large down flank extension of the Stella field, located in the Central North Sea, and well operations to date have satisfied all key objectives. The total measured hydrocarbon column height is now in excess of 820 feet, significantly increasing reserves beyond those previously independently assessed. The well confirmed hydrocarbons more than 500 feet lower than in any previous wells and this has demonstrated that connected hydrocarbons are present in the field down to the geological spill.

Wireline logs indicated the proximity of a hydrocarbon water contact, identification of which satisfies one of the objectives of the well. As part of the DST operation both the oil and the water bearing sections of the reservoir were deliberately perforated to extract essential samples required for development planning purposes.

On test the well flowed in excess of 5,000 barrels of liquid per day (oil plus water) consisting of 2,850 barrels of light oil (39° API) per day and 2,150 barrels of water per day. A prolonged and stabilized flow period was achieved and flow rates were significantly limited due to restrictions of the equipment on board the drilling rig.

The well intersected a 22.5 foot section of Paleocene Andrew sandstone reservoir close to the mapped closure of the field, which is estimated to cover more than 22 square kilometers (approximately 5,400 acres). The excellent reservoir properties and thickness observed in this well are equivalent to wells at the crest of the Stella structure.

Appraisal wells drilled on the crest of the Stella structure produced up to 17 million standard cubic feet of gas per day and 3,000 barrels of condensate per day with no water. The light oil encountered at this new location, 500 feet deeper in the structure, is entirely consistent with predictions of gas, condensate and oil coexisting within the same reservoir.

The well will now be geologically sidetracked, as intended, to test the reservoir up-flank between this vertical bore and existing crestal wells to further investigate the quality of the reservoir and provide essential compositional information of the hydrocarbons at intermediate depths. The sidetrack will take approximately 15 days to penetrate the reservoir.

Following evaluation of the sidetrack information, the appraisal phase of the field will be complete and Ithaca will be ready to move to a full scale development of Stella and satellite discoveries using one of several development options for the Greater Stella Area. Stella first oil and gas production is anticipated in 2012.

Prior to testing, the well was drilled into the Ekofisk Chalk formation which underlies the main Stella accumulation. The penetration of the chalk reservoir was below the known oil water contact, but pressures taken confirm the lateral extent of reservoir formation. The Ekofisk Chalk formation will be penetrated again during the drilling of the sidetrack.

Nick Muir (Chief Exploration Officer) commented:

“This is a great moment for Ithaca. The results of this appraisal well have proved very sizeable additions to the hydrocarbons originally encountered in the Stella discovery. The field is clearly even more significant than we thought and the results of this well and the test have exceeded all our expectations. Stella can now go forward as a standalone but expandable development that will allow for the future tieback of other Ithaca operated discoveries in the Greater Stella Area, such as Harrier and Hurricane.”

“The development of Stella is a key part of building Ithaca’s production and revenues over the next few years. Other near term projects include Athena, with production expected in 2011, and increases in production as a result of additional workovers on the Beatrice field this year”.

Further information is available on the Company website:

<http://www.ithacaenergy.com/StellaWell.asp>

Current Joint Venture Partners in block 30/6a (Stella and Harrier) are Ithaca (68.33%), Dyas UK Ltd (31.67%). Post completion of the farm out to Challenger Minerals (North Sea) Limited (“CMI”) interests will be Ithaca (50.33%), Dyas UK Ltd (31.67%), CMI (18.00%).

The well was drilled using the GSF Galaxy II harsh environment deep water jack-up rig, owned by Transocean Inc. and managed by the services of Applied Drilling Technology International (“ADTI”).

Enquiries:

Ithaca Energy:

Iain McKendrick, CEO	imckendrick@ithacaenergy.com	+44 (0) 1224 650 261
Nick Muir, CXO	nmuir@ithacaenergy.com	+44 (0) 1224 650 267
John Woods, CDO	jwoods@ithacaenergy.com	+44 (0) 1224 650 273

Pelham Bell Pottinger Public Relations:

Philip Dennis	pdennis@pelhambellpottinger.co.uk	+44 (0) 207 337 1516
Elena Dobson	edobson@pelhambellpottinger.co.uk	+44 (0) 207 337 1517

Cenkos Securities plc:

Jon Fitzpatrick	jfitzpatrick@cenkos.com	+44 (0) 207 397 8900
Ken Fleming	kfleming@cenkos.com	+44 (0) 131 220 6939

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,” “anticipate,” “plans,” “may,” “will,” “should”, “scheduled”, “targeted”, “estimated” and similar expressions, and the negatives thereof, whether used in connection with the estimated production levels, anticipated time of first oil or otherwise, 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.

Neither TSX Venture nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

-ENDS-