



Impress Ventures LIMITED

ABN - 15 009 212 319

ANNUAL
REPORT
2002



CORPORATE DIRECTORY

Directors and Officers

John M Gillon
Non Executive Director

Jamie Hamilton
Executive Director

Douglas Jendry
Executive Chairman

Christian A Singleton
Executive Director

Andrew Meloncelli
Company Secretary

Principal and Registered Office

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Auditors

KPMG
152 – 158 St George’s Terrace
Perth
Western Australia 6000

Share Registry

Computershare Registry Services
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ASX Codes

ITC – Ordinary Shares
ITCO – 31 December 2002, 20 cent Options

Internet

www.impressventures.com.au



CHAIRMAN'S REPORT

Oil and Gas Exploration

Impress Ventures Limited's major activity during the 2001/2002 financial was the participation in the drilling of three petroleum exploration wells in Australia and New Zealand, the results of which are best described as perplexing.

The Company's first well, Walyering 4, was essentially a development well being located only 150 metres east of a gas well that flowed over 14 million cubic feet per day on drill stem test in 1971. The well encountered the objective sands however they did not contain gas and the well was plugged and abandoned. The result of the well was difficult to explain, however was of sufficient certainty to prevent any further involvement in the drilling of the Walyering and Warro areas of the Perth Basin by Impress.

In New Zealand, the Makino well produced oil and gas shows in the objective Kapuni Formation. Electric logging of the well confirmed these shows to be hydrocarbons present in a thin sand zone. These positive results led Impress to exercise its option to participate in the drilling of the Huinga well to the north of Makino. In addition it was expected that the results at Makino would lead to the well being deviated to the west at some later stage to intersect the objective sands at a higher level than in the Makino 1 well. This is still an option for the continued exploration of Makino, however the results of Makino and Huinga will need to be studied further prior to commencing significant exploration activity.

The Huinga 1 well became one of the most problematical wells to be drilled in recent times in New Zealand and ended up significantly over budget. Problems were mainly associated with lost circulation zones encountered in the Muruhiku Formation that ultimately resulted in the loss of over 20,000 bbls of drilling fluid.

Despite these difficulties, excellent oil and gas shows were observed while drilling including the observation of oil in the mud system, which was assumed to have originated from fracture zones in the Muruhiku Formation. Following the completion of drilling activities, a drill stem test of a section of the objective Kapuni Formation resulted in the recovery of 21 bbls of oil before the test tool became plugged. Based on this result, the Joint Venture decided to complete the well with the full confidence that oil flows would result from the subsequent long term production test.

To the surprise and consternation of all members of the Joint Venture, the production test recovered no oil and only minor amounts of gas. In Impress' opinion it is nearly impossible to reconcile the observations of oil and gas made while drilling and the recovery of moveable oil on drill stem test with the zero recovery of any oil during production testing. Further, Impress believes the running of casing and the subsequent cement job performed after the successful drill stem test have somehow damaged the fracture zones such that they are not in communication with the well bore.

The Joint Venture along with the Operator is currently determining an appropriate course of action to be taken to determine the status of the Huinga well with an acceptable level of finiteness. However, at this stage the timing of these activities remains unclear.

Other Investments

In other developments Impress' 50% owned subsidiary, mBox.com Limited, recently announced that it would undertake an equal access buy-back of up to 42.19% its shares at 4.2 cents each. Assuming Impress accepts the proposed offer in full, Impress would maintain an interest in mBox.com Limited of between 36.9% and its current interest of 50.24%. Impress believes an outcome anywhere within the possible range is acceptable and considers any resulting shareholding will still represent a controlling position.

mBox is now under the direction of a restructured board. Impress is confident that under this new direction and focus, mBox.com Limited will effectively apply its skills, intellectual property and resources towards providing greater longer term returns to shareholders.



Impress maintained its 9.91% equity investment in Thin Technologies Limited throughout the 2002 financial year. While maintenance of this investment is not within Impress' longer term strategy, the performance of Thin Technologies combined with continued stagnant equity markets for technology stocks has not created an environment suitable for Impress to realise this investment at present.

Thin Technologies experienced a number of significant changes during the past twelve months including senior management appointments and the establishment of an east coast presence in Sydney. Impress remains hopeful that the current financial year will result in Thin Technologies reporting the realisation of their development investment through large scale sales of their internally developed retail management solution.

Impress' 35% interest in RHE West Limited was maintained during throughout the year. However following a review of operations and market opportunities, the decision was made by Impress and the other 65% shareholder to cease operations as of 31 August 2002.

The Future

Impress intends to continue with its involvement in New Zealand petroleum exploration at this stage and will also pursue other ventures as and when they are evaluated and considered appropriate for the group's involvement.

With the current parlous state of the Australian and International equity markets we are fully aware of the difficulties faced by investors and thank all shareholders for their continuing involvement and support.

Sincerely yours

Douglas Jendry



INVESTMENTS

Introduction

In December 2001, following a period which saw the Company focus largely on the oil and gas sector, Impress changed its name from Impress Technologies Limited to Impress Ventures Limited to better reflect the investment strategy of the group and its flexibility to suit changing market conditions.

Following initiatives to invest in oil and gas exploration activities late last financial year, Impress, via its wholly owned subsidiary Springfield Oil & Gas Limited, has continued to increase its exposure to the oil and gas sector with a number of investments. During the year ended 30 June 2002, Impress participated in the drilling of three oil and gas prospects, one located in the Perth Basin of Western Australia and two located onshore in New Zealand.

Oil and gas exploration is an expensive and risky exercise, but one which has the potential to generate appropriately large returns to shareholders. Whilst the success of the drilling programs that Impress has participated in has been mixed, as outlined in the Chairman's Address, Impress is hopeful that its investment in Makino and Huinga will ultimately provide a positive return for the Company.

Operating Results

The consolidated accounts to 30 June 2002 show an operating loss of \$3.52 million compared with a loss of \$2.88 million for the year ended 30 June 2001. Of the total loss, the consolidated accounts reflect a movement in provision for diminution in the value of investments of approximately \$781,000 and the write-off of petroleum exploration and evaluation expenditure of \$1.61 million.

The operating loss for the Company accounts for the year ended 30 June 2002 of \$3.24 million compared with a loss of \$2.16 million for the year ended 30 June 2001. Of the total loss, includes a \$835,000 write down of investments, principally associated with the decrease in the market value of investments and \$1.71 million write down in the recovery of loans to controlled entities. The Company accounts do not reflect any write down in the value of Impress' investment in mBox which is carried at a cost significantly less than its market value.

Oil and Gas Exploration Activity

MAKINO 1A WELL PEP 38728, ONSHORE NEW ZEALAND, 5% WORKING INTEREST

The Makino prospect is a sub thrust structural closure of over 20 square kilometres lying on trend and to the north of the Rimu oil and gas discovery. The primary objective at Makino is the Tariki Sandstone, the producing horizon of Rimu.

Makino has mean estimated potential reserves of over 48 million bbls of oil and 168 BCF of associated gas, if hydrocarbons are present, with the upside being some 100 million bbls.

The Makino 1 well was spudded on 10 December 2001 and reached a total depth of 4,555 metres in mid-march 2002. The well was prognosed to intersect a basement thrust prior to encountering the objective Tariki and Kapuni sands. A thicker than expected basement section was drilled, below which sands of the Kapuni Formation were found. The Tariki sands were not encountered.

Evaluation of shows and wireline logs indicated a thin hydrocarbon bearing zone is present at the top of a sequence on interbedded sandstones and siltstones. These oil and gas shows in sandstone of fair reservoir quality confirmed the premise of the exploration play and age dating has suggested that the major objective, the Tariki Sandstone, is located several hundred metres west of the current bottom hole location.

The well has been suspended to allow for remapping using the Makino well data and it is anticipated that a sidetrack well may will be drilled late in 2002 or early 2003, depending on rig availability. Final results of testing at the Huinga well will also have a bearing as to whether or not a sidetrack well is drilled.



HUINGA 1B WELL PEP 38716, ONSHORE NEW ZEALAND, 4.8% WORKING INTEREST

The Huinga prospect is located on the prospective eastern margin trend of the Taranaki Basin, 12 kilometres north of the Makino well. The prospect is considered to have the potential to contain oil and gas reserves of 46 million bbls of oil and 161 billion cubic feet of gas if hydrocarbons are present in the structure.

The re entry of the Huinga 1 well commenced at 2000 hrs on Monday 8 April 2002. The drilling program kicked off from the current well bore and deviated to intersect the objective Tariki Sandstone and Kapuni Group sandstones approximately 550 metres to the west of the Huinga wellsite. The well encountered the expected basement Murihiku section which was ultimately found to be thicker than first prognosed and the wells total depth objective was subsequently deepened to 4, 500 metres.

While drilling the basal Murihiku section at approximately 4260 metres, total loss of circulation was encountered in fractured basement rocks. Upon regaining fluid flow, high gas readings and significant oil shows including live oil at the surface were observed. Mud losses to the formation continued throughout the drilling of the well to its total depth of 4500 metres.

The well drilled through the Murihiku overthrust block into Kapuni Group sediments, one of the objective zones, at approximately 4380 metres. Several sandstone beds, which are interpreted to be fractured, were intersected within a gross 120 metre section of sediments. Good oil shows were recorded to a total depth of 4500 metres indicating a gross column of at least 247 metres of good hydrocarbon shows.

Following several unsuccessful attempts to log the Kapuni Group sediments, the decision was made to run 7 inch casing. Unstable hole conditions prevented the casing from being set at the well's total depth, resulting in the casing being sat at 4370 metres.

Further attempts to log the Kapuni section failed and it was decided to run a Drill stem test ("DST") of the uppermost sand to determine the fluid content. The DST flowed gas to surface and during reverse circulation approximately 21 barrels of oil and 69 barrels of oil cut mud and water were recovered. Subsequent analysis of the DST recorders indicated that the tubing plugged with sediment early in the test and it was expected that a surface flow would have been achieved if the tool had not plugged. The well was subsequently completed for production with casing and tubing and preparations for a long term production test were made.

Perforation and swabbing of both the Kapuni and Murihiku zones was undertaken with the surprising result that no oil and very minor gas was recovered. Late in September the swabbing ceased and the well was placed on observation. The Joint Venture is currently establishing a timetable to remedy the perceived down-hole problems and conduct a definitive production testing program of the Huinga oil discovery.

Impress considers that the production test results to date suggest that the perforations of the Murihiku and Kapuni zones have not accessed the possible oil and gas bearing Kapuni and Murihiku sections. It is thought that the fluids recovered while swabbing has come from elsewhere in the hole. One possible explanation for this situation is that the cement bond between the casing and the formation is poor and the presence of cement in the fracture zones is not allowing these zones to flow as otherwise expected.

Impress considers that the well has not been conclusively tested and is looking forward to any remedial work that may be undertaken.

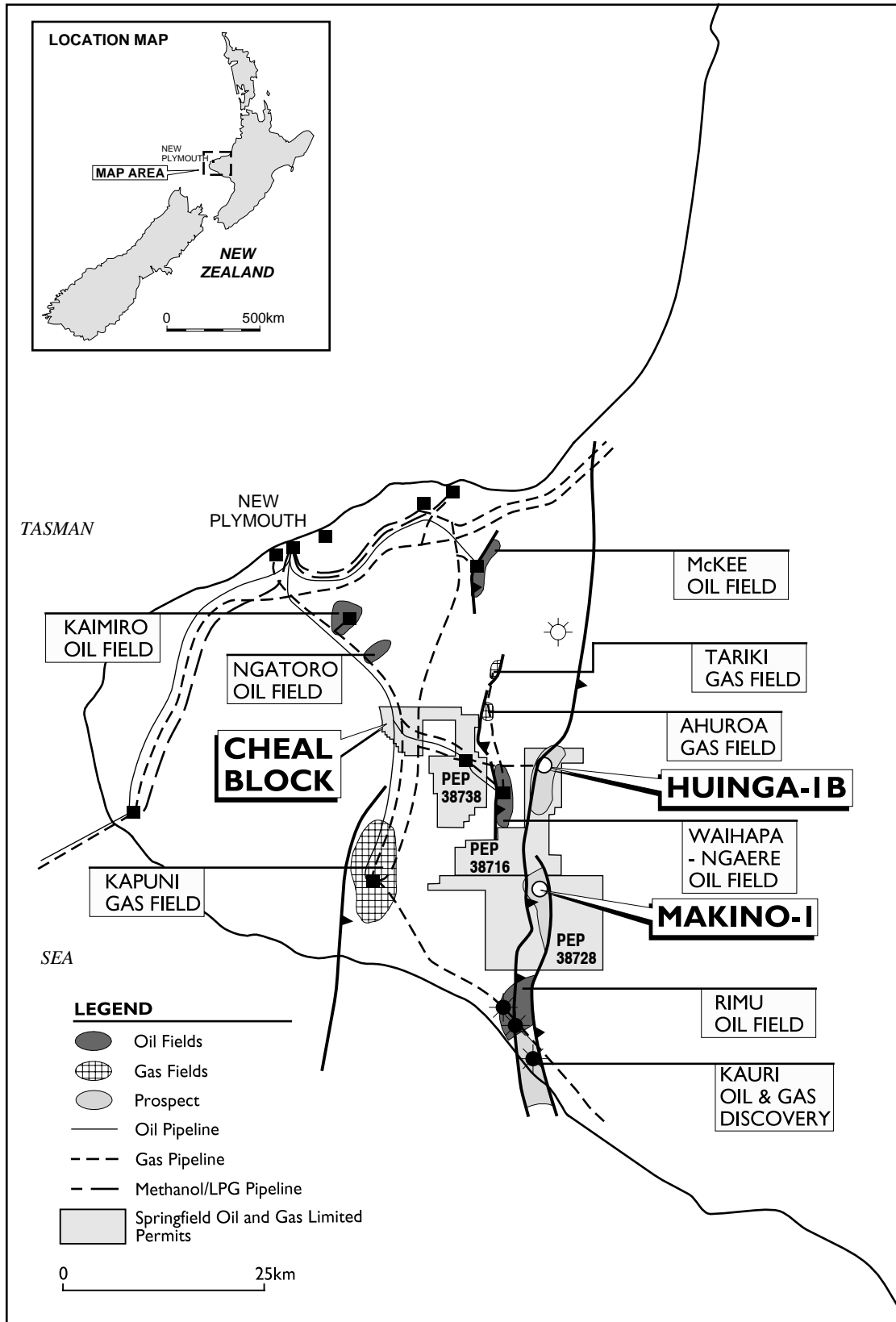
PEP 38738, CHEAL BLOCK, 5% INTEREST

As a result of its involvement in the Makino and Huinga exploration programs, Impress has earned a 5% interest in the Cheal Block located to the north of the Makino and Huinga wells. The permit contains the Cheal wells drilled in 1995 which had good oil shows from the Urenui Sandstone.

In October 2002, Impress sold its interest in the Cheal Block in return for a 25% net profits interest.



Eastern Taranaki Basin, New Zealand – Permit and Prospect Location Map





mBox.com Limited

The controlling shareholding in mBox is the primary IT investment of Impress. mBox operates an Internet-based unified messaging and communication service. This service is offered to individuals and businesses throughout Australia. The mBox unified messaging service enables mBox subscribers to utilise their mBox web mail account as a single repository for all email, fax and voice mail. mBox retail subscribers can conveniently retrieve those messages over the Internet or by telephone.

In February 2002, mBox launched a new fax to email service to compliment its existing “web mail” based services, and subsequent to 30 June 2002, mBox relaunched all its services under new branding and pricing structures. mBox hopes that these changes will increase the attractiveness of mBox’s services and will better place mBox to deliver value to shareholders, including Impress, through increased subscriber numbers and revenues. mBox now has five retail service offerings ranging from free and paid web mail products through to the premium “Platinum” unified messaging service providing the full suite of mBox services.

mBox continues to offer a wide variety of enterprise solutions for any Internet enabled business, including major portals and Internet service providers. mBox is able to host and manage fully branded and domained email and unified messaging systems. mBox derives revenue from consulting, site licenses, monthly fees and usage charges.

Whilst mBox’s business has continued to grow, revenues have yet to prove sufficient to absorb all of the operating costs of the business. However, mBox largely contained its cash burn during the year leaving mBox in a position to complete the proposed share buy-back and is well poised to generate positive cash flows through revenue growth on a relatively fixed cost base.

The majority of Impress’ holding in mBox has historically been subject to escrow restrictions imposed at the time of mBox’s listing in early 2000. These restrictions expired in March 2002 and Impress is now free to trade or otherwise realise its entire investment in mBox in accordance with the Corporations Act 2001 and Australian Stock Exchange Limited Listing Rules.

Further information on mBox can be found at www.mbox.com.au.

Thin Technologies Limited

Thin Technologies Limited (“Thin”) was floated on the ASX in April 2000 after raising over \$16 million in seed and IPO funding. Impress invested in Thin at both the pre-IPO and IPO fund raisings and continues to hold a 9.91% interest in the company. Impress’ investment in Thin has been written down significantly as at 30 June 2002 to reflect its market price at that date.

Thin offers an end-to-end retail management system incorporating Point of Sale terminal functionality with fully integrated eftPOS, communicating with a back office server hosting the integrated financial application. The Thin system is capable of delivering a high level of functionality and versatility at very competitive entry and operating costs. Thin’s retail solution has been developed on Sun and Oracle platforms, with a large proportion of development being completed by Sun and Oracle professional services divisions.

Further corporate and product details can be found at the Thin Technologies website at www.thintechnologies.com.



RHE West Limited

In recent years, Impress formed a partnership with RHE & Associates of New Zealand to establish RHE West Limited ("RHEW") in Perth, Western Australia, in which Impress held a 35% interest. RHEW provided end-to-end technology solutions including high level consulting services, software development and operational support services. During the year operations commenced and ceased in Melbourne, Victoria, and subsequent to year end, following a detailed review of the limited opportunities available to RHEW in the current technology investment climate, the decision was made to wind-up RHEW's operations. Impress' investment in RHEW was made largely by way of a shareholder loan which has been written down as at 30 June 2002 to the expected recoverable amount.

Other Investments

Impress continues to hold a number of other minority interest investments in the following entities / businesses:

- Alliance Energy Limited
- EON Pty Ltd
- E-MATCH Asia Pacific Pte Ltd
- Alecto Smart Card Technology

Impress' listed investment in Alliance Energy Limited is carried at its market value as at 30 June 2002. The investments in the other unlisted businesses were either written down to nil or written off during previous reporting periods. Impress is continuing to monitor these and is hopeful that some value might be generated by the development and/or realisation of those investments in the future.



DIRECTORS' REPORT

The Directors present their report together with the financial report of Impress Ventures Limited (“the Company”) and the consolidated entity, being the Company and its controlled entities for the year ended 30 June 2002.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

John M. Gillon - B.Com, B.Juris, LL.B, FCPA Non-Executive Director

John Gillon has extensive corporate and commercial experience with a legal and accounting background. He has been the Chairman of the Board of a number of listed public companies including Portman Mining Limited and Bains Harding Limited and a Director of a number of listed public companies including Majestic Resources Limited.

John holds degrees in Commerce, Jurisprudence and Law and is a Fellow of the Australia Society of Certified Practising Accountants. He was admitted as a member of the Australian Society of Accountants in 1972 and was admitted to practice as a Barrister and Solicitor in Western Australia in 1976. John is currently a Director of a number of public and private companies including Thin Technologies Limited, Secret Harbour Pty Ltd, Riverton Forum Pty Ltd, Olympia Publishing Pty Ltd, Gillon & Osborne Pty Ltd, Mobilesoft Limited and Daytek Publishing Pty Ltd.

He continues to practice as a lawyer in the corporate, commercial, finance and property development areas with an emphasis on syndications, joint ventures, mergers and acquisitions, capital raising, company restructuring and property and business transactions. He has been a director since 6 September 2000.

Jamie Hamilton - B.Com, CA, ASIA Executive Director

Jamie Hamilton spent 8 years with Arthur Andersen gaining significant experience in the resources and technology industries and capital markets in general. Most recently Jamie was an Associate Director of Arthur Andersen Corporate Finance Pty Ltd in Australia and has had a professional association with Impress Ventures Limited and a number of its related entities for a number of years. Jamie has extensive contacts within the finance industry, as well in the resources and technology industries in Australia. Jamie was appointed as Manager Corporate Development for Impress Ventures Limited in March 2001 and as a Director on 18 April 2001. Jamie is also a Director of mBox.com Limited.

Douglas Jendry – A. AppGeol (1971) Executive Chairman

Douglas has had a long and successful career in the oil and gas industry with extensive experience in all aspects of the business.

Douglas graduated as a geologist in 1972 and his early years were spent in SE Asia on onshore and offshore oil rigs and facilities. During his 25 year career he has gained experience in various parts of the world including Australia, USA, Thailand, Mozambique, New Zealand, Dutch North Sea, New Guinea, Tunisia and China.

He has produced numerous valuation and expert reports for financial institutions as well as negotiating purchases and sales of oil and gas fields and the associated financing. Since 1987, Douglas has successfully managed two publicly listed Australian oil and gas companies, First Australian Resources NL and Omega Oil NL. Both companies participated in numerous drilling and production ventures introduced by him which resulted in long term production and cashflow.

His most recent industry experience was as Managing Director of Omega Oil NL which he joined in 1995. A successful exploration program and discovery of significant reserves of gas in the Otway Basin of South Australia led to the Company being acquired in a takeover by Australian Worldwide Exploration in late 1999.



Christian A. Singleton - B.Ed. Executive Director

Chris Singleton spent 12 years as Managing Director of a highly awarded marketing and advertising agency. During his tenure he was exposed to a wide range of industries and provided consulting services to many leading Western Australian and national companies. Upon resignation from this business in 1996 he became a founder and joint Managing Director of Votel, a mobile telephony service provider that was acquired by Vodafone.

Subsequently, Chris has been a corporate consultant to a variety of companies, specialising in acquisition, strategy, management and restructuring. He was integrally involved in the formation of, and Joint CEO of, B Digital Limited, a national telecommunications service provider majority owned by the Seven Network Limited. Chris is a director of mBox.com Limited and Thin Technologies Limited. Appointed as a director 24 February 1999.

H. Barksdale Brown

H Barksdale Brown was a Director of the Company from 1 July 2001 until his resignation on 3 September 2001.

Principal Activities

During the year the principal continuing activities of the consolidated entity were investments in information technology and joint venture participation in oil and gas exploration.

Consolidated Results

The consolidated loss for the year after income tax was \$3,522,678 (2001: \$2,884,101). The majority of the current year's loss comprises oil and gas exploration expenditure written off together with write downs in the carrying value of investments.

Significant Changes in the State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year.

Likely Developments

The Directors will continue investing in oil and gas exploration and information technology interests.

Dividends

No dividends have been paid during the year and the Directors have not recommended that any dividend be paid.

Matters Subsequent to the End of the Financial Year

On 24 September 2002, mBox.com Limited, a controlled entity of Impress Ventures Limited, announced a proposed equal access buy-back scheme under which it would buy-back up to 42.19% of its issued capital (or 33,333,333 shares) for 4.2 cents cash per share. The proposed buy-back is subject to approval by the shareholders of mBox.com Limited of which Impress holds 50.24% of the issued capital and voting rights.

On 14 October 2002, Impress Ventures Ltd announced that its wholly owned subsidiary, Springfield Oil and Gas Limited has signed a sale and royalty agreement with a wholly owned subsidiary of Indo Pacific Energy (NZ) Limited, PEP 38716 Limited, to sell its 5% interest in the exploration permit PEP 38738 (Cheal) in New Zealand.

Subsequent to 30 June 2002, a decision was made by the shareholders and directors of RHE West Limited to cease operations and wind-up that company. Impress holds a 35% interest in RHE West Limited and has written down the value of its shareholder loan to the expected recoverable amount.

The Directors are not aware of any other matter or circumstance that has arisen since 30 June 2002, that has significantly or may significantly affect the operations of the consolidated entity or the results of those operations, or the state of affairs of the consolidated entity in subsequent financial years.



Directors' Interests in Shares

The interests of the Directors in shares are shown in the ASX information.

Meetings of Directors

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year are:

	Board Meetings	Attended
J M Gillon	4	4
J B Hamilton	4	4
D Jendry	4	4
C A Singleton	4	4
H B Brown	-	-

Directors' and Senior Executives' Emoluments

The company's policy for determining the nature and amount of emoluments of Board members is as follows:

- Remuneration of executive and non-executive Directors is reviewed annually by the Board.
- Remuneration packages are set at levels intended to attract and retain Directors and executives capable of managing the company's operations and adding value to the company.

Details of the nature and amount of each major element of the emoluments received by each Director of the Company and Senior Executive of the Company and the Consolidated entity receiving the highest emoluments are:

Company	Base Emolument	Consulting Fees	Non Cash Benefits	Superannuation Contributions	Total
Directors					
D Jendry	74,073	69,998	-	5,926	149,997
J M Gillon	40,000	-	-	-	40,000
C A Singleton	130,000	-	-	-	130,000
J B Hamilton	128,081	-	1,284	10,956	140,321
Executive					
A L Meloncelli	12,390	-	-	991	13,381
G D Anderson	24,000	-	-	-	24,000

Consolidated Entity	Base Emolument	Consulting Fees	Non Cash Benefits	Superannuation Contributions	Total
Directors					
D Jendry	74,073	69,998	-	5,926	149,997
J M Gillon	40,000	-	-	-	40,000
H B Brown	150,000	-	-	12,000	162,000
C A Singleton	130,000	-	-	-	130,000
J B Hamilton	136,952	-	1,284	10,956	149,192
G D Anderson	25,437	-	-	-	25,437
Executive					
A L Meloncelli	18,640	-	-	1,491	20,131
G D Anderson	24,000	-	-	-	24,000



Environmental Issues

The company's operations are subject to various environmental regulations under both Commonwealth and State legislation.

The Directors are not aware of any significant breaches during the period covered by this report.

Options

During or since the end of the financial year, the Company did not grant any options over unissued shares to directors or officers of the company.

At the date of this report there are the following unissued ordinary shares of the Company under option; 11,312,516 options with an exercise price of \$0.20 exercisable on or before 31 December 2002, 80,000 options with an exercise price of \$0.10 exercisable on or before 9 April 2004, 85,000 options with an exercise price of \$0.15 exercisable on or before 9 April 2004, and 85,000 options with an exercise price of \$0.20 exercisable on or before 9 April 2004. These options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

There were 1,800,000 unlisted options with an exercise price of 20 cents that expired on 30 June 2002.

During or since the end of the financial year, the Company issued ordinary shares as a result of the exercise of options as follows:

Number of shares	Amount paid on each share	Market value of shares on exercise date
1,559	\$0.20	\$0.07

There were no amounts unpaid on the shares issued.

Indemnification and Insurance of Directors and Officers

During the financial year, the company paid a premium of \$22,096 for a Directors and Officers Liability Policy which relates to liabilities that may arise from an officer's position, with the exception of conduct involving a breach of duty, a dishonest or fraudulent act, any act or omission committed with a reckless disregard for the consequences and any benefit from securities transactions as a result of the improper use of information.

This report is made in accordance with a resolution of the Directors.

Dated at West Perth 17 October 2002.

D JENDRY
Executive Chairman



INDEPENDENT AUDIT REPORT

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF IMPRESS VENTURES LIMITED

Scope

We have audited the financial report of Impress Ventures Limited (“the Company”) for the financial year ended 30 June 2002, consisting of the statements of financial performance, statements of financial position, statements of cash flows, accompanying notes 1 to 30, and the directors’ declaration. The financial report includes the consolidated financial statements of the consolidated entity, comprising the Company and the entities it controlled at the end of the year or from time to time during the financial year. The Company’s directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Company’s and the consolidated entity’s financial position, and performance as represented by the results of its operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of Impress Ventures Limited is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company’s and consolidated entity’s financial position as at 30 June 2002 and of their performance for the financial year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001;
- (b) other mandatory professional reporting requirements in Australia.

KPMG

DW SOUTHEE
Partner

Perth
17 October 2002



DIRECTORS DECLARATION

In the opinion of the directors of Impress Ventures Limited (“the Company”):

1. the financial statements and notes set out on pages 14 to 32, are in accordance with the Corporations Act 2001, including:
 - (a) giving a true and fair view of the financial position of the Company and consolidated entity as at 30 June 2002 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
 - (b) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
2. for the reasons set out in Note 1 (a), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Directors.

Dated at West Perth 17 October 2002.

D JENDRY
Executive Chairman



STATEMENTS OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2002

	Note	Consolidated		Company	
		2002 \$	2001 \$	2002 \$	2001 \$
Revenue from rendering of services	2	308,095	249,975	274,208	289,603
Other revenues from ordinary activities	2	462,545	635,219	100,551	400,259
Total revenue	2	<u>770,640</u>	<u>885,194</u>	<u>374,759</u>	<u>689,862</u>
Marketing expenses		29,391	183,066	-	-
Occupancy expenses		165,338	213,984	104,138	128,100
Administrative expenses		1,282,481	1,374,154	850,205	967,861
Depreciation and amortisation expenses	3	300,840	496,707	14,644	13,676
Borrowing expenses		3,887	490	437	490
Other expenses	3	<u>2,829,842</u>	<u>2,945,649</u>	<u>2,650,925</u>	<u>1,742,116</u>
		<u>4,611,779</u>	<u>5,214,050</u>	<u>3,620,349</u>	<u>2,852,243</u>
(Loss) from ordinary activities before related income tax expense		(3,841,139)	(4,328,856)	(3,245,590)	(2,162,381)
Income tax attributable to operating loss	4	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (loss)		(3,841,139)	(4,328,856)	(3,245,590)	(2,162,381)
Net (loss) attributable to outside equity interests		<u>(318,461)</u>	<u>(1,444,755)</u>	<u>-</u>	<u>-</u>
Net (loss) attributable to members of the parent entity	16	(3,522,678)	(2,884,101)	(3,245,590)	(2,162,381)
		<u><u>(3,522,678)</u></u>	<u><u>(2,884,101)</u></u>	<u><u>(3,245,590)</u></u>	<u><u>(2,162,381)</u></u>
Basic earnings per share (cents)	24	<u>(3.114)</u>	<u>(3.180)</u>		

The accompanying notes form part of these financial statements



STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2002

	Note	Consolidated		Company	
		2002	2001	2002	2001
		\$	\$	\$	\$
Current Assets					
Cash assets	5	5,460,574	8,517,382	1,162,859	3,139,723
Receivables	6	168,272	170,403	54,397	139,179
Inventories	7	100,714	-	-	-
Total Current Assets		<u>5,729,560</u>	<u>8,687,785</u>	<u>1,217,256</u>	<u>3,278,902</u>
Non Current Assets					
Receivables	6	15,000	70,000	927,697	1,313,184
Other financial assets	8	293,475	1,128,967	590,144	1,386,283
Plant and equipment	9	442,854	761,717	31,006	45,128
Exploration expenditure	10	1,163,814	218,574	-	-
Total Non Current Assets		<u>1,915,143</u>	<u>2,179,258</u>	<u>1,548,847</u>	<u>2,744,595</u>
Total Assets		<u>7,644,703</u>	<u>10,867,043</u>	<u>2,766,103</u>	<u>6,023,497</u>
Current Liabilities					
Payables	11	798,687	171,104	99,371	61,853
Interest bearing liabilities	12	25,133	-	-	-
Non interest bearing liabilities	13	113,748	50,090	50,090	50,090
Provisions	14	39,043	19,531	16,745	9,583
Total Current Liabilities		<u>976,611</u>	<u>240,725</u>	<u>166,206</u>	<u>121,526</u>
Total Liabilities		<u>976,611</u>	<u>240,725</u>	<u>166,206</u>	<u>121,526</u>
Net Assets		<u>6,668,092</u>	<u>10,626,318</u>	<u>2,599,897</u>	<u>5,901,971</u>
Equity					
Contributed equity	15	13,679,603	13,736,087	13,679,603	13,736,087
Accumulated losses	16	(9,192,596)	(5,669,918)	(11,079,706)	(7,834,116)
Total Parent entity interest		4,487,007	8,066,169	2,599,897	5,901,971
Outside equity interest	17	2,181,085	2,560,149	-	-
Total Equity		<u>6,668,092</u>	<u>10,626,318</u>	<u>2,599,897</u>	<u>5,901,971</u>

The accompanying notes form part of these financial statements



STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2002

	Note	Consolidated		Company	
		2002 \$	2001 \$	2002 \$	2001 \$
Cash flows from operating activities					
Receipts from customers		466,294	328,395	388,653	392,986
Payments to suppliers and employees		(1,196,262)	(2,831,589)	(939,327)	(1,049,101)
Interest received		306,480	597,044	100,551	192,811
Interest paid		(3,887)	(490)	(437)	(490)
Net cash flows (used in) operating activities	29	<u>(427,375)</u>	<u>(1,906,640)</u>	<u>(450,560)</u>	<u>(463,794)</u>
Cash flows from investing activities					
Exploration expenditure		(2,553,368)	(218,574)	-	-
Payments for investments		-	(157,760)	(39,352)	(157,763)
Payments for research and development		-	(96,745)	-	-
Loans to controlled entities		-	-	(1,388,461)	(1,236,276)
Repayment of loan to controlled entities		-	-	-	22,065
Loan to other persons		(41,485)	(70,000)	(41,485)	(70,000)
Payments for plant and equipment		(3,229)	(395,376)	(522)	(18,941)
Proceeds from sale of investments		-	7,963	-	7,963
Net cash flows (used in) investing activities		<u>(2,598,082)</u>	<u>(930,492)</u>	<u>(1,469,820)</u>	<u>(1,452,952)</u>
Cash flows from financing activities					
Proceeds from issues of shares		312	1,131,629	312	1,131,629
Transactions cost from issue of shares		(56,796)	-	(56,796)	-
Proceeds from borrowings		39,712	-	-	-
Repayment of borrowings		(14,579)	(100,180)	-	(100,180)
Net cash flows from/(used in) financing activities		<u>(31,351)</u>	<u>1,031,449</u>	<u>(56,484)</u>	<u>1,031,449</u>
Net (decrease) in cash held		(3,056,808)	(1,805,683)	(1,976,864)	(885,297)
Cash at beginning of the year		<u>8,517,382</u>	<u>10,323,065</u>	<u>3,139,723</u>	<u>4,025,020</u>
Cash at end of the year	5	<u><u>5,460,574</u></u>	<u><u>8,517,382</u></u>	<u><u>1,162,859</u></u>	<u><u>3,139,723</u></u>

The accompanying notes form part of these financial statements



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

(a) Basis of preparation

This financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has also been prepared in accordance with the historical cost convention and except where stated, does not take into account changing money values or current valuations of non-current assets. Unless otherwise stated, the accounting policies have been consistently applied and are consistent with those of the previous year.

The Company has cash reserves of approximately \$1.16 million and working capital of approximately \$1.05 million as at 30 June 2002. The funding of the Huinga 1B drilling and completion program, carried on subsequent to 30 June 2002, has utilised approximately \$717,000 of the cash reserves.

The financial report has been prepared on the basis that the Company and consolidated entity are going concerns, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The directors believe this to be appropriate for the following reasons:

- On 24 September 2002, mBox.com Limited, a controlled entity of Impress Ventures Limited, announced a proposed equal access buy-back scheme under which it would buy-back up to 42.19% of its issued capital (or 33,333,333 shares) for 4.2 cents cash per share. The proposed buy-back is subject to majority shareholder approval and if accepted in full by Impress Ventures Limited, the buy-back scheme would result in a cash inflow to Impress Ventures Limited of approximately \$700,000.
- The Company holds a number of liquid assets that may be disposed of, if required, including significant interests in the following listed entities:
 - 50.24% of mBox.com Limited (with a market value of \$1,270,189 at 30 June 2002);
 - 9.91% of Thin Technologies Limited (with a market value of \$212,500 at 30 June 2002); and
 - 2.92% of Alliance Energy Limited (with a market value of \$53,015 at 30 June 2002).
- The Company has prepared a cash flow forecast which demonstrates that it will have sufficient cash reserves for the next 12 months.

The directors acknowledge that the Company may require additional funding to meet further exploration and evaluation activity associated with the New Zealand oil and gas joint venture operations of its subsidiary entity (refer note 18) and that the ability of the Company to continue as a going concern is subject to the completion of an appropriate capital raising program or realisation of the Company's existing assets.

It is the opinion of the directors that given the above, the Company and consolidated entity have access to sufficient cash resources to meet its ongoing obligations and thus the financial report of the Company and the consolidated entity have been prepared on a going concern basis.

(b) Principles of Consolidation

Controlled entities

The financial statements of controlled entities are included from the date control commences until the date control ceases.

Outside interests in the equity and results of the entities that are controlled by the Company are shown as a separate item in the consolidated financial statements.

Joint ventures

A joint venture is either an entity or operation that is jointly controlled by the consolidated entity.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002***Joint venture operations*

The consolidated entity's interests in unincorporated joint ventures are brought to account by including its proportionate share of joint ventures' assets, liabilities and expenses and the entity's revenue from the sale of its share of output on a line-by-line basis, from the date joint control commences to the date joint control ceases.

Transactions eliminated on consolidation

Unrealised gains and losses and inter-entity balances resulting from transactions with or between consolidated entities are eliminated in full on consolidation.

Unrealised gains resulting from transactions with associates and joint ventures, including those relating to contributions of non-monetary assets on establishment, are eliminated to the extent of the consolidated entity's interest. Unrealised gains relating to associates and joint venture entities are eliminated against the carrying amount of the investment. Unrealised losses are eliminated in the same way as unrealised gains, unless they evidence recoverable amount impairment.

(c) Income tax

The consolidated entity adopts the liability method of tax effect accounting. Income tax benefit is calculated on operating loss adjusted for permanent differences between taxable and accounting income. The tax effect of timing differences, which arise from items being brought to account in different years for income tax and accounting purposes, is carried forward in the balance sheet as a future income tax benefit or a provision for deferred income tax. Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits which include tax losses are only brought to account when their realisation is virtually certain.

(d) Investments*Controlled entities*

Investments in controlled entities are carried in the Company's financial statements at the lower of cost and recoverable amount.

Joint ventures

Joint venture operations are accounted for as set out on Note 1(b).

Other entities

Investments in listed and unlisted entities are carried at the lower of cost and recoverable amount

(e) Depreciation of plant and equipment

Depreciation is calculated on a reducing balance basis to write off the net cost of each item of property, plant and equipment over its expected useful life. Major depreciation rates are computer equipment at 40% and other fixed assets at 25%.

(f) Accounts receivable*Trade debtors*

The collectibility of debts is assessed at balance date and a specific provision is made for any doubtful accounts. Trade debtors are normally settled within 30 days.

(g) Recoverable amount of non current assets valued on a cost basis

The carrying amounts of non-current assets valued on the cost basis, other than exploration and evaluation expenditure carried forward (refer Note 1 (q)), are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write-down is expensed in the reporting period in which it occurs.

Where a group of assets working together supports the generation of cash inflows, recoverable amount is assessed in relation to that group of assets.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

In assessing recoverable amounts of non-current assets, the relevant cash flows have not been discounted to the present value, except where specifically stated.

(h) Accounts payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade amounts payables are normally settled within 30 days.

(i) Employee entitlements

Wages and salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates and includes related on-costs in respect of employees' services up to that date.

Long Service Leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and years of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(j) Revenue recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority.

Rendering of services

Revenue from rendering services as the service is provided. To the extent to which the monies are received at period end in advance of the provision of services by the company, recognition is deferred and income recognised as the services are provided.

Interest income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

Sale of non-current assets

The gross proceeds of non-current assets are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

(k) Transactions costs arising on the issue of equity instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate.

(l) Superannuation plan

Contributions to employee defined contribution superannuation plans are charged against income as incurred.

(m) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002****(n) Borrowing costs**

Borrowing costs include interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings, foreign exchange losses net of hedged amounts on borrowings, include trade creditors and lease finance charges. Ancillary costs incurred in connection with the arrangement of borrowings are capitalised and amortised over the life of the borrowings.

(o) Inventories

Inventories are carried at the lower of cost and net realisable value.

(p) Leased assets*Operating leases*

Payments made under operating leases are expensed on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

(q) Exploration and evaluation expenditure

Exploration and evaluation costs are accumulated in respect of each separate area of interest.

Exploration and evaluation costs are carried forward where the right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and expenditure activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made.

(r) Interest bearing liabilities

Unsecured loans are recognised at their principal amount. Interest is expensed when incurred.

(s) Changes in accounting policies*i) Earnings per share*

The consolidated entity has applied AASB 1027 *Earnings Per Share* (issued June 2001) for the first time from 1 July 2001.

Basic and diluted earnings per share ("EPS") for the comparative period ended 30 June 2001 have been adjusted so that the basis of calculation used is consistent with that of the current period.

Basic Earnings per Share

Basic EPS earnings are now calculated as net profit or loss, rather than excluding extraordinary items.

Diluted Earnings per Share

Diluted EPS earnings are now calculated by only adjusting the basic EPS earnings for the year after tax effect of financing costs and the effect of conversion to ordinary shares associated with dilutive potential ordinary shares, rather than including the notional earnings on the funds that would have been received by the entity had the potential ordinary shares been recovered.

ii) Segment reporting

The consolidated entity applied the revised AASB 1005 *Segment Reporting* (issued in August 2000) for the first time from 1 July 2001.

Individual business segments have been identified on the basis of grouping individual products or services subject to similar risks and returns. The new business segments reported are: Communications and Information Technology, Mining and Exploration and Investment.

Comparative information has been restated for the changes in definitions of segment revenue and results. The financial effect of the change was nil.


**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
NOTE 2. REVENUE FROM ORDINARY ACTIVITIES				
Rendering of Services Revenue from Operating Activities				
Advertising	8,894	130,589	-	-
Sales - Premium services	296,932	109,386	-	-
Proceeds from sale of tenements	-	10,000	-	10,000
Management and IT consulting fees	2,269	-	274,208	279,603
	<u>308,095</u>	<u>249,975</u>	<u>274,208</u>	<u>289,603</u>
Other Revenues from Operating Activities				
Interest received	306,480	517,701	100,551	198,621
Rental/Management income	156,065	109,555	-	193,675
Proceeds from sale of investments	-	7,963	-	7,963
	<u>462,545</u>	<u>635,219</u>	<u>100,551</u>	<u>400,259</u>
Total Revenue from Ordinary Activities	<u>770,640</u>	<u>885,194</u>	<u>374,759</u>	<u>689,862</u>

NOTE 3. OPERATING (LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE

Operating (loss) from ordinary activities before income tax includes the following specific net gains and expenses:

Net Gains

Net gain on disposal of investments	-	7,963	-	7,963
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Expenses

Amortisation of research and development	-	49,433	-	-
Depreciation of plant and equipment	300,840	447,274	14,644	13,676
Total depreciation and amortisation expense	<u>300,840</u>	<u>496,707</u>	<u>14,644</u>	<u>13,676</u>

Movement in provisions

Employee entitlements	19,512	4,603	7,163	(1,464)
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Other expenses

Diminution in value of investments	781,406	1,518,142	835,492	1,518,142
Exploration and evaluation expenditure written off	1,608,128	-	-	-
Investments written off	-	220,000	-	220,000
IT and network expenses	189,384	780,318	-	-
Loan written off	41,485	-	41,485	-
Other expenses	129,260	252,631	-	-
Provision for non-recovery of loan to controlled entity	-	-	1,718,948	3,974
Provision for non-recovery of loan to related company	55,000	-	55,000	-
Stock obsolescence	25,179	-	-	-
Write-off of software development costs	-	174,558	-	-

Total other expenses	<u>2,829,842</u>	<u>2,945,649</u>	<u>2,650,925</u>	<u>1,742,116</u>
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Rental expense on operating leases	<u>69,105</u>	<u>64,068</u>	<u>69,105</u>	<u>64,068</u>
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
NOTE 4. INCOME TAX				
The prima facie income tax benefit on operating (loss) calculated at 30% (2001: 34%).	(1,152,341)	(1,471,811)	(973,677)	(735,210)
Permanent differences	526,361	-	517,617	-
Timing differences and tax losses not brought to account	625,980	1,471,811	456,060	735,210
Income tax expense	-	-	-	-

Future income tax benefit not taken to account:

The potential future income tax benefit in a controlled entity, which is a company, arising from tax losses and timing differences has not been recognised as an asset because recovery of tax losses is not virtually certain and recovery of timing differences is not assured beyond any reasonable doubt:

Income tax losses	1,517,066	1,702,933	-	-
Timing differences	1,144,890	5,859	195,478	-
	<u>2,661,956</u>	<u>1,708,792</u>	<u>195,478</u>	<u>-</u>

The potential future income tax benefit will only be obtained if:

- the relevant company and/or consolidated entity derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised, or the benefit can be utilised by another company in the consolidated entity in accordance with Division 170 of the Income Tax Assessment Act 1997;
- the relevant company and/or consolidated entity continues to comply with the conditions for deductibility imposed by the law; and
- no changes in tax legislation adversely affect the relevant company and/or the consolidated entity to realise these benefits.

NOTE 5. CASH ASSETS

Cash	1,372,374	3,210,062	1,162,859	3,139,723
Term deposits	4,088,200	5,307,320	-	-
	<u>5,460,574</u>	<u>8,517,382</u>	<u>1,162,859</u>	<u>3,139,723</u>

The bank short term deposit mature within 60 days and a weighted average interest rate of 4.54% (2001: 4.9%).

NOTE 6. RECEIVABLES
Current

Trade debtors	28,872	67,223	39,721	125,651
Accrued interest	14,925	11,652	-	-
Other debtors	124,475	91,528	14,676	13,528
	<u>168,272</u>	<u>170,403</u>	<u>54,397</u>	<u>139,179</u>

Non Current

Loan to controlled entities	-	-	4,385,253	2,996,792
Less Provision for non recovery	-	-	(3,472,556)	(1,753,608)
	-	-	912,697	1,243,184
Loan to related company	70,000	70,000	70,000	70,000
Less Provision for non recovery	(55,000)	-	(55,000)	-
	<u>15,000</u>	<u>70,000</u>	<u>15,000</u>	<u>70,000</u>
	<u>15,000</u>	<u>70,000</u>	<u>927,697</u>	<u>1,313,184</u>

Further details of loans to controlled entities and to related entities is set out in note 22. The loan to Springfield Oil and Gas Limited is provided to fund oil and gas expenditure by the controlled entity, accordingly the ultimate recoupment of the loan is dependent upon successful development and commercial exploitation, or alternatively sale of the respective areas.


**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
NOTE 7. INVENTORIES				
Inventories	125,893	-	-	-
Less provision for obsolescence	(25,179)	-	-	-
	<u>100,714</u>	<u>-</u>	<u>-</u>	<u>-</u>
NOTE 8. OTHER FINANCIAL ASSETS NON CURRENT				
Listed investments				
Shares in controlled entities at cost	-	-	296,662	257,310
Shares in other corporations at cost	2,167,494	2,167,494	2,167,494	2,167,494
Less provision for diminution in value	(1,874,019)	(1,496,187)	(1,874,019)	(1,496,187)
	<u>293,475</u>	<u>671,307</u>	<u>590,137</u>	<u>928,617</u>
Unlisted investments				
Shares in controlled entities at cost	-	-	995,951	995,950
Less provision for diminution in value	-	-	(995,944)	(995,944)
	<u>-</u>	<u>-</u>	<u>7</u>	<u>6</u>
Shares in other corporations at cost	879,615	879,615	879,615	879,615
Less provision for diminution in value	(879,615)	(421,955)	(879,615)	(421,955)
	<u>-</u>	<u>457,660</u>	<u>-</u>	<u>457,660</u>
	<u>293,475</u>	<u>1,128,967</u>	<u>590,144</u>	<u>1,386,283</u>

The company holds the following significant investments in companies which are neither part of the consolidated entity or associated entities:

- Ematch Asia Pacific Pte Ltd - 20% ownership (2001: 20%), operating as an online trader of computer components. Carrying value of investment is nil (2001: \$457,660).
- Thin Technologies Limited - 9.91% ownership (2001: 9.91%), operating as an retail end to end management system provider. Carrying value of investment is \$212,500 (2001: \$516,072).

NOTE 9. PLANT AND EQUIPMENT

Plant and equipment at cost	1,337,059	1,333,830	112,480	111,958
Accumulated depreciation	(872,953)	(572,113)	(81,474)	(66,830)
Adjustment on acquisition of additional interest in controlled entity	(21,252)	-	-	-
	<u>442,854</u>	<u>761,717</u>	<u>31,006</u>	<u>45,128</u>
Movement during the year				
Carrying amount at beginning of year	761,717	813,615	45,128	39,863
Additions	3,229	395,376	522	18,941
Disposals	-	-	-	-
Depreciation	(300,840)	(447,274)	(14,644)	(13,676)
Adjustment on acquisition of additional interest in controlled entity	(21,252)	-	-	-
Carrying amount at end of year	<u>442,854</u>	<u>761,717</u>	<u>31,006</u>	<u>45,128</u>

NOTE 10. EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation costs carried forward in respect of areas of interest in:

Exploration and evaluation phase:

Exploration and evaluation costs	<u>1,163,814</u>	<u>218,574</u>	<u>-</u>	<u>-</u>
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The ultimate recoupment of costs carried forward for exploration and evaluation expenditure phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

Movements in mining tenements and exploration and evaluation costs

Balance at beginning of year	218,574	-	-	-
Expenditure incurred during the year	2,553,368	218,574	-	-
Expenditure written off during the year	(1,608,128)	-	-	-
Balance at end of year	<u>1,163,814</u>	<u>218,574</u>	<u>-</u>	<u>-</u>


**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
NOTE 11. PAYABLES CURRENT				
Trade creditors	775,187	171,104	79,371	61,853
Accrued expenses	23,500	-	20,000	-
	<u>798,687</u>	<u>171,104</u>	<u>99,371</u>	<u>61,853</u>
NOTE 12. INTEREST BEARING LIABILITIES CURRENT				
Unsecured loan	25,133	-	-	-
	<u>25,133</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interest on unsecured loan is payable at 5.78%. The principal amounts are repayable on a monthly basis up to January 2003.				
NOTE 13. NON INTEREST BEARING LIABILITIES CURRENT				
Subscriptions for shares in other corporations	50,090	50,090	50,090	50,090
Unearned income	63,658	-	-	-
	<u>113,748</u>	<u>50,090</u>	<u>50,090</u>	<u>50,090</u>
NOTE 14. PROVISIONS CURRENT				
Employee entitlements	39,043	19,531	16,745	9,583
	<u>39,043</u>	<u>19,531</u>	<u>16,745</u>	<u>9,583</u>
Number of employees at year end	<u>10</u>	<u>9</u>	<u>5</u>	<u>5</u>
NOTE 15. CONTRIBUTED EQUITY				
Issued Capital				
113,141,923 (2001: 113,140,364)				
fully paid ordinary shares	<u>13,679,603</u>	<u>13,736,087</u>	<u>13,679,603</u>	<u>13,736,087</u>
		Issue Price	Number of	
		Cents	Shares	\$
Movements in ordinary share capital over the past two years were as follows:				
Balance 30 June 2000			90,513,291	12,604,458
Issued pursuant to prospectus dated 28 June 2001			22,628,073	1,131,629
Balance 30 June 2001			<u>113,141,364</u>	<u>13,736,087</u>
Issued on conversion of options		0.20	1,559	312
Capital raising expenses				(56,796)
Balance 30 June 2002			<u>113,142,923</u>	<u>13,679,603</u>
Terms and conditions				
Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.				
In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.				
NOTE 16. ACCUMULATED LOSSES				
Accumulated losses at beginning of year	(5,669,918)	(2,785,817)	(7,834,116)	(5,671,735)
Net loss attributable to members of the parent entity	(3,522,678)	(2,884,101)	(3,245,590)	(2,162,381)
Accumulated losses at end of year	<u>(9,192,596)</u>	<u>(5,669,918)</u>	<u>(11,079,706)</u>	<u>(7,834,116)</u>
NOTE 17. OUTSIDE EQUITY INTERESTS IN CONTROLLED ENTITIES				
Outside equity interest comprises:				
Share capital	4,922,857	5,150,821	-	-
Accumulated losses	(2,741,772)	(2,590,672)	-	-
	<u>2,181,085</u>	<u>2,560,149</u>	<u>-</u>	<u>-</u>


**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
NOTE 18.COMMITMENTS FOR EXPENDITURE				
Operating Lease Commitments				
Non cancellable operating lease commitments contracted for but not capitalised in the accounts payable:				
- not later than one year	91,413	15,314	91,413	15,314
- later than one year but not later than five years	111,027	-	111,027	-
	<u>202,440</u>	<u>15,314</u>	<u>202,440</u>	<u>15,314</u>

The consolidated entity is also committed to approximately \$350,000 within the next 12 months on its interests in various joint venture operations.

NOTE 19. DIRECTORS REMUNERATION

Total income paid or payable, or otherwise made available, to all directors of the Company and controlled entities from the Company or any related party.

	<u>656,626</u>	<u>648,971</u>	<u>460,318</u>	<u>369,067</u>
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The number of directors of the Company whose income from the Company or any related party falls within the following bands:

	2002	2001
\$0 - \$9,999	-	1
\$30,000 - \$39,999	-	2
\$40,000 - \$49,999	1	-
\$70,000 - \$79,999	-	1
\$90,000 - \$99,999	-	1
\$120,000 - \$129,999	-	1
\$130,000 - \$139,999	1	-
\$140,000 - \$149,999	2	-

NOTE 20. EXECUTIVES' REMUNERATION

Total income in respect of the financial year received, or due and receivable from the Company, entities in the consolidated entity or related parties by executive officers of the Company and of consolidated entities whose income is \$100,000 or more.

	\$	\$	\$	\$
	<u>591,189</u>	<u>128,000</u>	<u>420,318</u>	<u>128,000</u>

The number of Australian based executive officers of the Company and of controlled entities, whose remuneration from the Company or related parties, and from entities in the consolidated entity, falls within the following bands:

\$120,000 - \$129,999	-	1	-	1
\$130,000 - \$139,999	1	-	1	-
\$140,000 - \$149,999	2	-	2	-
\$160,000 - \$169,999	1	-	-	-

Executive officers are those officers involved in the strategic direction, general management or control of business at a company or operating division level.


**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
NOTE 21. AUDITORS REMUNERATION				
Amounts received or due and receivable by KPMG:				
- auditing or reviewing the financial report	21,000	-	12,000	-
	<u>21,000</u>	<u>-</u>	<u>12,000</u>	<u>-</u>
Amounts received or due and receivable by former auditors:				
- auditing or reviewing the financial report	-	19,604	-	11,504
- other services	424	-	202	-
	<u>424</u>	<u>19,604</u>	<u>202</u>	<u>11,504</u>

NOTE 22. RELATED PARTY INFORMATION
(i) Directors

The names of the Directors during the financial year of the Company are:

Jamie Hamilton
Douglas Jendry
John M Gillon
Christian A Singleton
H Barksdale Brown (resigned 3 September 2001)

Details of directors' remuneration are set out in Note 19.

Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the consolidated entity since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at year end.

(ii) Directors' holdings of share and share options

The interests of directors of the reporting entity and their director-related entities in shares and share options of entities within the consolidated entity at year-end are set out below:

	Consolidated	
	2002	2001
	\$	\$
Impress Ventures Limited:		
Ordinary Shares	31,309,098	28,919,083
Options over ordinary shares	6,651,110	7,544,420

(iii) Directors' transactions in share and share options

The interests of directors of the reporting entity and their director-related entities in shares and share options of entities within the consolidated entity acquired during the year are set out below:

Impress Ventures Limited:		
Ordinary Shares	2,390,015	11,008,842
Options over ordinary shares	-	5,754,420



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

NOTE 22. RELATED PARTY INFORMATION (Continued)

(iv) Directors' transactions with the Company or its controlled entities

A number of directors of the Company, or their director-related entities, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

The terms and conditions of the transactions with directors and their director-related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

The aggregate amounts recognised during the year relating to directors and their director-related entities were as follows:

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
Office rental and administration	150,704	86,167	250,865	173,396
Loans	70,000	70,000	70,000	70,000
Underwriting fees	-	-	56,796	-
Information technology, consulting and management fees	-	-	27,000	279,603

During the year mBox.com Limited, RHE West Ltd and Thin Technologies Limited paid Impress Ventures Limited for office rental and administrative services.

During the year Impress Ventures Limited provided information technology consulting services, management services to mBox.com Limited.

During the year Impress Ventures Limited paid underwriting fees to Montgomery Burns Pty Ltd and Tristania Holdings Pty Ltd pursuant to a prospectus dated 28 June 2001.

Mr C A Singleton is a director of mBox.com Limited, Montgomery Burns Pty Ltd, RHE West Ltd and Thin Technologies Limited. Mr H B Brown was a director of mBox.com Limited until 28 August 2002. Mr D Jendry is a director of Montgomery Burns Pty Ltd and RHE West Ltd. Mr J B Hamilton is a director of mBox.com Limited. Mr J M Gillon is a director of Thin Technologies Limited and Tristania Holdings Pty Ltd.

Amounts receivable from and payable to directors and their director-related entities at balance date arising from these transactions were as follows:

Current receivables				
Trade debtors	54,991	45,842	39,721	121,217
Non Current receivables				
Loan to related company	70,000	70,000	70,000	70,000
	<u>124,991</u>	<u>115,842</u>	<u>109,721</u>	<u>191,217</u>
Current payables				
Trade creditors	745	11,000	745	11,000

From time to time, directors of the Company or its controlled entities, or their director-related entities, may purchase goods from the consolidated entity. These purchases are on the same terms and conditions as those entered into by other consolidated entity employees or customers and are trivial or domestic in nature.


**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
NOTE 22. RELATED PARTY INFORMATION (continued)				
(v) Non-director related parties				
All transactions with non-director related parties are on normal terms and conditions. The non-director related entities consist of Impress Holdings Pty Ltd, Mailbox.com Pty Ltd, Outback Mining and Oil Company Pty Ltd, Springfield Oil and Gas Limited, vFax.Com Pty Ltd, Westpenny Properties Pty Ltd and Westpenny Pty Ltd.				
Transactions between the company and related parties in the wholly-owned group consisted of interest free loans advanced by the company of which no security is held over these loans.				
Aggregate amounts receivable from non-director related parties:				
Non current receivable	-	-	4,385,253	2,996,792
less provision for non-recovery	-	-	(3,472,556)	(1,753,608)
	<u>-</u>	<u>-</u>	<u>912,697</u>	<u>1,243,184</u>

(vi) Ownership Interests in Related Parties

Details of equity interests in controlled entities is set out in Note 27.

(vii) Ultimate parent entity

The ultimate parent and controlling entity in the wholly owned group is Impress Ventures Limited, a company incorporated in Western Australia.

NOTE 23. RECEIVABLES/PAYABLES DENOMINATED IN FOREIGN CURRENCIES
Receivables

Current, not subject to hedge contracts

New Zealand Dollars	<u>94,119</u>	<u>-</u>	<u>-</u>	<u>-</u>
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Payables

Current, not subject to hedge contracts

New Zealand Dollars	527,221	-	-	-
Singapore dollars	<u>50,090</u>	<u>50,090</u>	<u>50,090</u>	<u>50,090</u>
	<u>577,311</u>	<u>50,090</u>	<u>50,090</u>	<u>50,090</u>

NOTE 24. EARNINGS PER SHARE

Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share

	Consolidated 2002	2001
	<u>113,141,440</u>	<u>90,698,275</u>

There us no dilutive potential ordinary shares therefore EPS has not been calculated or disclosed.

NOTE 25. FINANCIAL INSTRUMENTS
(a) Credit Risk Exposure

The credit risk on financial assets of the Company which have been recognised on the balance sheet is generally the carrying amount, net of any provisions for doubtful debts.

(b) Interest Rate Risk Exposure

The company's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the Company intends to hold fixed rate assets and liabilities to maturity.



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

NOTE 25. FINANCIAL INSTRUMENTS (Continued)

2002	Note	Floating interest rate	Fixed interest maturing in:			Non- interest bearing	Total
			1 year or less	1 to 5 years	more than 5 years		
Financial Assets							
Cash	5	1,372,374	4,088,200	-	-	-	5,460,574
Receivables	6	-	-	-	-	183,772	183,772
Other financial assets	8	-	-	-	-	293,475	293,475
		<u>1,372,374</u>	<u>4,088,200</u>	<u>-</u>	<u>-</u>	<u>477,247</u>	<u>5,937,821</u>
Weighted average interest rate		4.4%	4.54%	-	-	-	
Financial Liabilities							
Trade creditors and accrued expenses	11	-	-	-	-	798,687	798,687
Interest bearing liabilities	12	-	25,133	-	-	-	25,133
Non Interest bearing liabilities	13	-	-	-	-	113,748	113,748
		<u>-</u>	<u>25,133</u>	<u>-</u>	<u>-</u>	<u>912,435</u>	<u>937,568</u>
Weighted average interest rate		-	5.78%	-	-	-	
2001							
2001	Note	Floating interest rate	Fixed interest maturing in:			Non- interest bearing	Total
			1 year or less	1 to 5 years	more than 5 years		
Financial Assets							
Cash	5	3,210,062	5,307,320	-	-	-	8,517,382
Receivables	6	-	-	-	-	240,403	240,403
Other financial assets	8	-	-	-	-	1,128,967	1,128,967
		<u>3,210,062</u>	<u>5,307,320</u>	<u>-</u>	<u>-</u>	<u>1,369,370</u>	<u>9,886,752</u>
Weighted average interest rate		4%	4.9%	-	-	-	
Financial Liabilities							
Trade creditors and accrued expenses	11	-	-	-	-	171,104	171,104
Non Interest bearing liabilities	13	-	-	-	-	50,090	50,090
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,194</u>	<u>221,194</u>
Weighted average interest rate		-	-	-	-	-	

(c) Net Fair Value of Financial Assets and Liabilities

The net fair value of the financial assets and liabilities are the same as their carrying amount, except for listed investments which have a fair value of \$590,137.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

NOTE 26. SEGMENT REPORTING

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise income-earning assets and revenue, interest bearing loans, borrowings, expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Business Segments

The consolidated entity comprises the following main business segments, based on the consolidated entity's management reporting system:

- Communications and Information Technology
- Mining and Exploration
- Investment

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets.

Primary reporting

Business Segments	Communications and Information Technology		Mining and Exploration		Investment		Other		Consolidated	
	2002 \$	2001 \$	2002 \$	2001 \$	2002 \$	2001 \$	2002 \$	2001 \$	2002 \$	2001 \$
External segment revenue	308,094	239,975	-	10,909	306,480	525,664	156,066	108,646	770,640	885,194
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	308,094	239,975	-	10,909	306,480	525,664	156,066	108,646	770,640	885,194
Result										
Segment result	(2,100,225)	(2,933,222)	(1,608,128)	10,909	218,301	(1,212,478)	(351,087)	(194,065)	(3,841,139)	(4,328,856)
Net profit	(2,100,225)	(2,933,222)	(1,608,128)	10,909	218,301	(1,212,478)	(351,087)	(194,065)	(3,841,139)	(4,328,856)
Individually significant items										
Depreciation and amortisation	300,840	496,707	-	-	-	-	-	-	300,840	496,707
Exploration expenditure written off	-	-	1,608,128	-	-	-	-	-	1,608,128	-
Assets										
Segment assets	4,569,559	5,219,395	1,554,926	1,200,003	1,471,337	4,338,693	48,881	108,952	7,644,703	10,867,043
Consolidated total assets									7,644,703	10,867,043
Liabilities										
Segment liabilities	360,257	171,104	527,221	-	50,090	50,090	39,043	19,531	976,611	240,725
Consolidated total liabilities									976,611	240,725

Secondary reporting

The consolidated entity operates entirely in the secondary segment of Australia.



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

NOTE 27. INVESTMENT IN CONTROLLED ENTITIES

Name of Entity	Equity Holding	
	2002	2001
	%	%
Impress Holdings Pty Ltd	100	100
Outback Mining and Oil Company Pty Ltd	100	100
Westpenny Pty Ltd (100% owned by Impress Holdings Pty Ltd)	100	100
Westpenny Properties Pty Ltd (100% owned by Westpenny Pty Ltd)	100	100
Mailbox.com Pty Ltd	100	100
Vfax.Com Pty Ltd	100	100
mBox.com Limited	50.24	49.87
Springfield Oil & Gas Limited	100	100

mBox.com Limited was deemed to be a controlled entity in the prior year because Impress has the capacity to control the composition of the Board of mBox.com Limited.

There has been no additions or disposals of controlled entities in the 2002 year (2001: nil). For significant non controlled/non equity accounted investments see note 8.

NOTE 28. INTEREST IN JOINT VENTURE OPERATIONS

The consolidated entity have various interests in joint ventures involved in the mining industry. The names of each joint venture and the percentage interest in each joint venture are:

- EP 414 (Walyering) - 20.1%
- PEP 38716 (Huinga) - 4.8%
- PEP 38728 (Makino) - 5.0%
- PEP 38738 (Cheal) - 5.0%

Included in the assets and liabilities of the consolidated entity and the company are the following items which represent the consolidated entity and company's interest in the assets and liabilities employed in the joint ventures.

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
Current Assets				
Cash assets	196,279	-	-	-
Receivables	94,119	-	-	-
Inventories	125,893	-	-	-
Total Current Assets	<u>416,291</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non Current Assets				
Exploration and evaluation expenditure	1,163,814	218,574	-	-
Total Non Current Assets	<u>1,163,814</u>	<u>218,574</u>	<u>-</u>	<u>-</u>
Total Assets	<u>1,580,105</u>	<u>218,574</u>	<u>-</u>	<u>-</u>
Current Liabilities				
Payables	639,327	-	-	-
Total Current Liabilities	<u>639,327</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>639,327</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets	<u>940,778</u>	<u>218,574</u>	<u>-</u>	<u>-</u>



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

**NOTE 29. RECONCILIATION OF OPERATING (LOSS) AFTER INCOME TAX TO NET CASH
OUTFLOW TO OPERATING ACTIVITIES**

	Consolidated		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
Operating (loss) after tax	(3,841,139)	(4,328,856)	(3,245,590)	(2,162,381)
Add/(less) non cash items:				
Profit on sale of investments	3	(7,963)	-	(7,963)
Depreciation of plant and equipment	3	447,274	14,644	13,676
Amortisation	3	49,433	-	-
Interest received		(5,810)	-	(5,810)
Provision for employee entitlements		4,603	7,163	(1,464)
Writeoff of software development costs		174,558	-	-
Writeoff of loan		-	41,485	-
Writeoff of exploration, evaluation and development costs		-	-	-
Writeoff of investments		220,000	-	220,000
Provision for non recovery of loan to controlled entity		-	1,718,948	3,974
Provision for non recovery of loan to related company		-	55,000	-
Provision for diminution in investments		1,518,142	835,492	1,518,142
Provision for stock obsolescence		-	-	-
Changes in assets and liabilities				
(Increase) in inventories		-	-	-
(Increase)/decrease in receivables		(19,511)	84,782	(103,821)
Increase in trade and other creditors		41,490	37,516	61,853
	<u>(427,375)</u>	<u>(1,906,640)</u>	<u>(450,560)</u>	<u>(463,794)</u>

NOTE 30. EVENTS SUBSEQUENT TO BALANCE DATE

On 24 September 2002, mBox.com Limited, a controlled entity of Impress Ventures Limited, announced a proposed equal access buy-back scheme under which it would buy-back up to 42.19% of its issued capital (or 33,333,333 shares) for 4.2 cents cash per share. The proposed buy-back is subject to approval by the shareholders of mBox.com Limited of which Impress holds 50.24% of the issued capital and voting rights.

On 14 October 2002, Impress Ventures Ltd announced that its wholly owned subsidiary, Springfield Oil and Gas Limited has signed a sale and royalty agreement with a wholly owned subsidiary of Indo Pacific Energy (NZ) Limited, PEP 38716 Limited, to sell its 5% interest in the exploration permit PEP 38738 (Cheal) in New Zealand.

Subsequent to 30 June 2002, a decision was made by the shareholders and directors of RHE West Limited to cease operations and wind-up that company. Impress holds a 35% interest in RHE West Limited and has written down the value of its shareholder loan to the expected recoverable amount.

The financial effects of the above transactions have not been brought to account in the financial statements for the year ended 30 June 2002.



ASX INFORMATION AS AT 27 SEPTEMBER 2002

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report.

Distribution of Shares and Options as at 27 September 2002

SHARES		OPTIONS	
Distribution of holdings	Number of Holders	Distribution of holdings	Number of Holders
1 – 1,000	44	1 – 1,000	283
1,001 – 5,000	599	1,001 – 5,000	328
5,001 – 10,000	641	5,001 – 10,000	53
10,001 – 100,000	963	10,001 – 100,000	50
100,001 and over	129	100,001 and over	19
Total	2,376	Total	733

1,285 holders have less than a marketable parcel of shares.

20 Largest Shareholders and Optionholders as at 27 September 2002

SHARES			OPTIONS		
Name	Number	%	Name	Number	%
Montgomery Burns Pty Ltd	7,975,000	7.05	Tristania Holdings Pty Ltd	2,280,390	20.16
Pos.it.ive Technologies Ltd	5,453,125	4.82	Montgomery Burns Pty Ltd	887,500	7.85
J M Gillon	4,827,146	4.27	Jendry Management Pty Ltd	751,000	6.64
Tristania Holdings Pty Ltd	4,491,279	3.97	Trust Company Super Services Ltd	626,269	5.54
Sunvest Corporation Limited	3,794,409	3.35	Pos.it.ive Technologies Ltd	545,313	4.82
Jendry Management Pty Ltd	3,742,494	3.31	Douglas Financial Consultants Pty Ltd	500,000	4.42
C A & E M Singleton	3,104,109	2.74	Soh Beng Teck	500,000	4.42
C & B Carr	2,500,000	2.21	Toad Group Pty Ltd	500,000	4.42
IO Research Pty Ltd	2,000,000	1.77	Elcos Pty Ltd	400,000	3.54
Burnal Pty Ltd	1,786,750	1.58	J M Gillon	312,442	2.76
Toad Group Pty Ltd	1,526,445	1.35	Cornwall Holdings Pty Ltd	250,000	2.21
Hancroft Pty Ltd	1,500,000	1.33	C A & E M Singleton	236,625	2.09
Chemspec Specialties & Logistics Pty Ltd	1,500,000	1.33	C & B Carr	206,250	1.82
Cornwall Holdings Pty Ltd	1,312,408	1.16	J Campion	200,000	1.77
Douglas Financial Consultants Pty Ltd	1,300,000	1.15	Trafalgar Business Finance Pty Ltd	120,625	1.07
Royal Sunset Pty Ltd	1,140,000	1.01	B J Wishart	112,500	0.99
B J Wishart <Wishart Family A/C>	1,125,000	0.99	Sipres Pty Ltd	111,500	0.98
Soh Beng Teck	1,000,000	0.88	Balmoral Custodians Pty Ltd	100,000	0.88
Whitewood Nominees Pty Ltd	900,000	0.80	Berenes Nominees Pty Ltd	100,000	0.88
Balmoral Custodians Pty Ltd	800,000	0.71	Berne No 132 Nominees Pty Ltd	100,000	0.88
	51,778,165	45.76		8,928,914	78.93



ASX INFORMATION AS AT 27 SEPTEMBER 2002 (continued)

Substantial Shareholders

Name	Number	%
Pos.itive Technologies Ltd/Tristania Holdings Pty Ltd/J M Gillon	14,771,550	13.05
Montgomery Burns Pty Ltd/Toad Group Pty Ltd/C A & E M Singleton	12,605,554	11.14
Montgomery Burns Pty Ltd/Jendry Management Pty Ltd/D Jendry	11,717,494	10.35

Unquoted Options

There are currently 80,000 options with an exercise price of \$0.10 exercisable on or before 9 April 2004, 85,000 options with an exercise price of \$0.15 exercisable on or before 9 April 2004, and 85,000 options with an exercise price of \$0.20 exercisable on or before 9 April 2004.

Directors Holdings

The Directors hold interests in the following shares and options:

Director	Fully Paid Shares	Quoted Options	Unquoted Options
J M Gillon	14,771,550	3,138,485	-
J Hamilton	189,500	-	250,000
D Jendry	11,717,494	1,638,500	-
C A Singleton	12,605,554	1,624,125	-

Corporate Governance Statement

The Company's Directors aspire to the highest standards of corporate governance that could be deemed appropriate to the size of Impress, the extent of its activities and the number of Directors. The Directors take ultimate responsibility for corporate governance and operate in accordance with the company's Constitution, ASX Listing Rules, the Corporations Act 2001 and other applicable laws.

In addition to formal Board meetings, the Directors held frequent informal discussions and full reviews of the company's affairs. These include matters pertaining to the company's assets, budgets, remuneration of executives, staff and contractors, independent professional advice, accounting, audit, internal financial controls, risk assessment and ethical standards. Impress does not have an audit committee, nor any other committee, as the Directors consider that, for the company's current size and state of development they are not yet appropriate.

Procedures have been established which are designed to safeguard the assets and interests of Impress. These include accounting, reporting both financial and technical and internal control policies and procedures.

The present external auditors were appointed on 29 November 2001. The lead external audit engagement partner will be rotated off the engagement during the 2009 financial year.