

21 January 2003

## **Quarterly Report for the period ending 31 December 2002**

### **EXPLORATION ACTIVITY**

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

Following the disappointing results of the Huinga well to the north there was no urgent requirement for the drilling of a sidetrack at the Makino location. Further work and study of the well data, including some seismic reprocessing, is planned for 2003 to determine the prospectively of the area to the west of the current borehole location. It is anticipated that further drilling by other groups to the north of Makino/Huinga in 2003 may assist in the interpretations.

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

The Operator completed a thorough study of the Huinga drilling and concluded that there was no current justification to re-enter the well and attempt to remedy any perceived down hole problems. Further interpretation including seismic reprocessing is planned for 2003 after which a decision will be made as to the future of the Huinga structure and the concession.

Impress still considers that the recovery of oil on Drill Stem Test followed by no oil recovery whatsoever after completion suggests some 'damage' has occurred between these two events.

#### **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% Accounting Profits Royalty (APR). This APR interest has no associated ongoing costs.

It is anticipated that a re-entry of the Cheal well will take place during 2003 followed by the drilling of a well.

For further information, please contact **Douglas Jendry, Chairman on (08) 9214 2500.**

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Impress Ventures Limited

ABN

15 009 212 319

Quarter ended ("current quarter")

31 December 2002

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	-	(717)
(b) development	-	-
(c) production	-	-
(d) administration	(225)	(510)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Management and Office Income	113	205
Other – GST	-	7
<b>Net Operating Cash Flows</b>	<b>(110)</b>	<b>(1,008)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	1	12
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	12	12
1.12 Other (mBox.com Ltd share buy back)	704	704
<b>Net investing cash flows</b>	<b>717</b>	<b>728</b>
1.13 Total operating and investing cash flows (carried forward)	607	(280)

1.13 Total operating and investing cash flows (brought forward)	607	(280)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares, options, etc.	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other (provide details if material)	-	-
<b>Net financing cash flows</b>	<b>-</b>	<b>-</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

	<b>Net increase (decrease) in cash held</b>	607	(280)
1.20	Cash at beginning of quarter/year to date	276	1,163
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>883</b>	<b>883</b>

**Note 1. The consolidated cashflows do not include cashflows from Impress' controlled entity mBox.com Limited, which is separately listed on ASX. The consolidated cash position including cash held by mBox.com Limited at 31 December 2002 was \$3,786K.**

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	117
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

All transactions involving Directors and Associates were on normal commercial terms.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil.

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil.	Nil.
3.2	Credit standby arrangements	Nil.	Nil.

**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	170
4.2	Development	Nil.
	<b>Total</b>	<b>170</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
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+ See chapter 19 for defined terms.

5.1	Cash on hand and at bank	883	276
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)		883	276

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	EP 414	20.1%	0%
6.2	Interests in mining tenements acquired or increased	PEP 38728	5%	5%
		PEP 38716	4.8%	4.8%
		PEP 38738	5%	25% NPI of 5%

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b> <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	113,141,923	113,141,923	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	
7.5	<b>+Convertible debt securities</b> <i>(description)</i>			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	
7.7	<b>Options</b> <i>(description and conversion factor)</i>	11,312,516	11,312,516	<i>Exercise price</i> 20 cents 10 cents 15 cents 20 cents
		80,000	-	<i>Expiry date</i> 31/12/02
		85,000	-	9/4/04
		85,000	-	9/4/04
7.8	Issued during quarter	-	-	
7.9	Exercised during quarter	-	-	
7.10	Expired during quarter	-	-	

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

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7.11	<b>Debentures</b> <i>(totals only)</i>		
7.12	<b>Unsecured notes</b> <i>(totals only)</i>		

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~ *(delete one)* give a true and fair view of the matters disclosed.

Sign here: ..... Date: 21/01/03  
(~~Director~~/Company secretary)

Print name: Andrew Meloncelli

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities:** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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