

23 April 2004

Quarterly Report for the period ending 31 March 2004

HIGHLIGHTS FOR THE QUARTER

- Cooper Basin drilling expected to commence in June
- PEL 115 study identifies 22 prospects and leads
- Seismic survey to commence in New Zealand
- Impress completes fund raising
- Healthy cash position of \$3.95 million

FINANCING ACTIVITIES

During the quarter Impress finalised its fund raising via an issue to sophisticated investors of \$1.36 million (before capital raising costs). This completed the December 2003 and January 2004 raisings to a total of \$2.29 million.

After some expenditure on seismic and other exploration activities during the quarter, Impress has \$3.95 million in cash to fund its share of the 2004 Cooper Basin drilling program of up to seven wells.

EXPLORATION ACTIVITY

PEL 115

The operator has completed an initial study of PEL 115 and has identified 22 leads and prospects of which 17, with mid range hydrocarbon potential, would be economic in the event of a discovery. There are 5 prospects that have marginal economics at the mid range level. A number of the features identified have potential for discovery in more than one horizon and in all cases they are very close to infrastructure.

At this stage 13 prospects are identified as having oil potential and 9 gas and liquids potential.

In a number of cases the prospects are ready for drilling while a number also will require minor seismic reprocessing and/or further interpretation which is currently ongoing. In addition casing is being purchased and rig contracts being secured.

Following the late March 2004 PEL 115 Joint Venture meeting it was recommended that four wells be drilled, three oil prospects in the southern part of the permit and one large gas prospect in the northern most block. The drilling of four wells will be subject to unanimous Joint Venture approval as the statutory commitment for 2004 is only two wells.

Due to the difficulty in acquiring casing, as well as the general lack of rig slots due to a significant increase drilling activity, it is anticipated that drilling will not commence until June, in the southern part of the permit. The first well to be drilled will be identified after a further JV meeting.

PEL 104, COOPER BASIN, SOUTH AUSTRALIA, 12.5% WORKING INTEREST

PEL 104 covers 1,069 square kms and is located immediately adjacent to the Tirrawarra Oil field, Australia's largest onshore oil field with estimated reserves of 70 million bbls and 340 billion cubic feet of gas. Also adjacent is the Fly Lake Oil and Gas field and the permit surrounds the Callabona oil discovery. In August 2002 the Sellicks 1 well-located 30 kms south of PEL 104 flowed 2,160 barrels of oil per day and in early July 2003 the Christies 1 well was declared commercial with an 18 metre oil column.

Impress considers the permit is highly prospective for both gas and oil in both the Permian and Jurassic sequences that are highly productive in the Cooper/Eromanga Basin.

Under the terms of the Agreement Springfield will contribute 30% of the initial work program (estimated cost \$4.2 million) to earn a 15% interest in PEL 104.

Preliminary analysis of the blocks outlined in excess of 20 leads and prospects some of which required further seismic to mature and some of which required seismic reprocessing. The 215km Andracurie Seismic survey, carried out in both permits, was completed in mid February. It is currently being processed. This is expected to be completed in late May. Following receipt of the data, interpretation and analysis of the leads and prospects will commence.

At this stage it is intended to drill two wells in PEL 104 and one well in PEL 111. The final drilling program will be known by mid June at which time the drill locations will be chosen. Drilling in PEL104/111 will probably commence after the PEL 115 wells have been completed (late 3rd quarter) however as there may be the requirement of a larger rig for the PEL 111 prospects there is the possibility that, if a rig slot was available, drilling could be held concurrently.

PEL 86,87 and 89, COOPER BASIN, SOUTH AUSTRALIA, 15% WORKING INTEREST

There was no activity in the permits during the quarter.

PEP 38728, ONSHORE NEW ZEALAND, 5% WORKING INTEREST

During the March quarter and continuing into the next quarter the Operator will continue to evaluate the Ratanui lead and the Miocene amplitude anomalies. This will complete the work program for the permit year to the 16 August 2004 after which a



new exploration program for the August 2005 year will be submitted or the permit will be relinquished.

PEP 38716, ONSHORE NEW ZEALAND, 5.48571% WORKING INTEREST

During the quarter mapping of the permit resulted in the identification of two leads at Rawhitiroa and Atarangi. In mid May a 14 kilometre seismic program will be run over the two leads. This will complete the work program for the year to 30 January 2005 after which a well will have to be drilled or the permit surrendered.

OTHER PROJECTS

Impress is continuing to evaluate oil and gas opportunities, including production, and anticipates that one or more of these opportunities will become available to the company over the next two quarters.

For further information, please contact **Douglas Jendry, Executive 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 March 2004

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(232)	(579)
(b) development	-	-
(c) production	-	-
(d) administration	(187)	(602)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	50	96
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Management and Office Income	43	163
Other – Refund Rent	-	7
Net Operating Cash Flows	(326)	(915)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	(18)
(c) other fixed assets	-	(2)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	182
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	-	162
1.13 Total operating and investing cash flows (carried forward)	(326)	(753)
1.13 Total operating and investing cash flows (brought forward)	(326)	(753)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares (net of raising costs), options, etc.	1,295	2,784
1.15 Proceeds from sale of forfeited shares	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	1,295	2,784
	Net increase (decrease) in cash held	969	2,031
1.20	Cash at beginning of quarter/year to date	2,981	1,919
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,950	3,950

Note 1.: Impress share of the cash balance from the various joint ventures has not been included.

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	51
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

+ See chapter 19 for defined terms.

4.1	Exploration and evaluation	250
4.2	Development	Nil.
Total		250

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
5.1 Cash on hand and at bank	65	162
5.2 Deposits at call	3,885	2,819
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,950	2,981

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			
6.2	Interests in mining tenements acquired or increased			

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 Preference + securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	187,366,923	187,366,923		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	34,000,000 -	34,000,000 -	4 cents	4 cents
7.5	+Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -		
7.7	Options <i>(description and conversion factor)</i>	-	-	<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <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: 23/04/2004
 (Director/Company secretary)

Print name: A L 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.

+ See chapter 19 for defined terms.

- 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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