

April 27, 2005

Quarterly Report for the period ending 31 March 2005

HIGHLIGHTS FOR THE QUARTER

- Production test commences at Mirage/Ventura
- Mirage 1 flowing at 274 BOPD
- Ventura to commence in May
- 6 wells proposed for 2005 Cooper drilling program
- New Zealand Oru prospect ready for drilling
- Nickel interest 'a nice surprise'

PRODUCTION ACTIVITY

PEL 115, Cooper Basin, South Australia, 15% working interest

Impress Ventures Ltd has a 15% working interest in PEL 115 in the South Australian section of the Cooper Basin of South Australia.

During 2004 four wells were drilled with a gas discovery being made at Hornet and oil discoveries at Ventura and Mirage.

Ventura 1

The Ventura 1 well commenced drilling on October 5 and reached a total depth of 1,984 metres on 19 October.

Oil was recovered on drill stem test (DST) in the Murta Formation after testing the section from 1319 to 1345 metres. A total of 2 bbls of 59 degree API oil was recovered with no evidence of water.

Following further drilling oil shows were then encountered in the McKinlay-Namur sandstone and a subsequent DST of the interval from 1,364 to 1,377 metres recovered 42 bbls of clean 52.9 degree API oil with no signs of water.

Following electric logging, sidewall cores and analysis of mud log data an interpreted gross 10 metre oil column is considered to be present in the Mckinlay/Namur section with up to 3.5 metres of net oil pay.

The interpreted recoverable oil reserves for the McKinlay/Namur Formation of the Ventura Oil Field, using the current available information, is a range from a mean of 220,000 bbls to a maximum of 460,000 bbls.

Mirage 1

The Mirage 1 well commenced drilling on 5 December, 2004 and reached a total

depth of 1,975 metres on 20 December, 2004.

A drill Stem Test of the Murta Formation from 1,322m - 1,327 m resulted in the recovery of 11 bbls of 57 degree API oil with no water.

Subsequent analysis of all the available data suggests a gross oil column of 17 metres from 1,320metres to 1,337 metres with a net pay of 6 metres.

Production testing of the well commenced on January 14, 2005 over the interval 1,320m – 1,326m and the well flowed at a rate of 372 bbls per day, with no water, on a ½ inch choke. Analysis of the data suggests that the flow rate could exceed 400 BOPD on a larger choke.

The interpreted recoverable reserves for the Mirage Oil Field, using currently available data, is a range from a mean of 1.3 million bbls to a maximum of 2.3 million bbls.

Long Term Production Test

At 1150 hrs on 23 April, 2005 the long term production test of the Ventura and Mirage wells commenced.

The Mirage well was opened and on Tuesday 26 April was flowing oil at a rate of 274 barrels per day through a 16/64 inch choke with a flowing wellhead pressure of 62 psi.

The Ventura well will be placed on pump over the next few weeks and is expected to produce up to 200 barrels per day of oil.

The production test is planned to continue for at least 90 days with a budgeted production of total of 500 barrels per day from the two wells. Data obtained will be used to determine ultimate recoverable reserves as well as determining the location for any development wells, particularly at Mirage.

EXPLORATION ACTIVITIES

PEL 115, Cooper Basin, 15% working interest

The joint venture is to consider drilling two development wells at Mirage during 2005 as well as recording a 3D seismic program over the Ventura/Mirage/Lightning trend to delineate further prospects for drilling. There is a two well commitment for PEL 115 for 2005.

The 3D seismic survey is expected to commence in April and will be interpreted by the end of June. The location of the two commitment wells will be determined after the seismic results are known.

One of the two wells to be drilled may be in the northern part of the block where a number of large gas prospects have been identified.

Future Exploration Program PEL 104/111

The PEL104/111 area covers over 2,200 square kilometers of highly prospective Jurassic and Permian oil and gas targets to the west and north of large currently producing oil and gas fields.

Recent discoveries to the south at Christies, Sellicks and Paranta have significantly upgraded the potential of the area. Only three wells have been drilled in PEL 104 and of these two have interpreted bypassed gas pay and the other had oil shows.

To date over 19 leads and prospects have been identified in these two adjacent permits. Following a review of the prospects the joint venture decided that further seismic was required to fully mature the features for drilling and in early 2004 a 150 line kilometer seismic survey was recorded over the blocks.

To further define and mature the prospects a seismic survey is planned for May, 2005.

Following interpretation the joint venture will select four prospects for drilling in the second half of 2005.

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

There was no activity in the permits during the quarter.

PEP 38716, ONSHORE NEW ZEALAND, 6.84736% WORKING INTEREST

The permit was renewed for a further year with the requirement to drill a well by 2006. Impress increased its interest after two parties withdrew to 6.84736%.

The joint venture has made a decision to drill the Oru Prospect during the third quarter of 2005.

Oru is a seismically defined prospect with closure and potential for accumulations in the Mako Sandstone and Mt Messenger Formation.

Mapping suggests that the prospect has the ability to hold up to 7 million bbls of oil and 14 BCF of associated gas if hydrocarbons are present in the structure.

Drilling is expected to start in the third quarter of 2005.

Heron Resources/INCO Kalgoorlie Nickel Project (KNP)

Impress Ventures Ltd was previously called Merritt Mining NL and was involved in mineral exploration in Western Australia during the 1990's.

The company had an interest in a number of nickel tenements known as Siberia Tank that were eventually sold to Centaur Mining and Exploration Limited in exchange for a 10% free carried interest to production. The tenements are Prospecting Licences 24/3179 to 24/3184 inclusive.

The leases were subsequently acquired by Heron Resources Ltd.

On 29 March, 2005 Heron Resources Ltd announced it had signed a letter of intent to enter into a joint venture with Inco Limited to develop the Kalgoorlie Nickel Project. The Impress Venture leases are part of the proposed project.

This development has come as a nice surprise for Impress as previously the interest was considered to have little value.

The company is seeking independent advice as to the potential value of the interest to the company.

For further information, please contact **Douglas Jendry, Chief Executive 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 2005

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(165)	(1,649)
(b) development	-	-
(c) production	-	-
(d) administration	(166)	(630)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	25	108
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Management and Office Income	91	192
Net Operating Cash Flows	(215)	(1,979)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	(18)
(c) other fixed assets	(11)	(11)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	(11)	(29)
1.13 Total operating and investing cash flows (carried forward)	(226)	(2,008)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(226)	(2,008)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares (net of raising costs), 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)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(226)	(2,008)
1.20	Cash at beginning of quarter/year to date	2,006	3,788
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,780	1,780

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.

+ See chapter 19 for defined terms.

	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	250
4.2 Development	-
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	58	30
5.2 Deposits at call	1,722	1,976
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,780	2,006

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	PEP 38716	6.48%	6.84%

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)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs				
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).

+ See chapter 19 for defined terms.

2 This statement does ~~does not~~ *(delete one)* give a true and fair view of the matters disclosed.

Sign here: Date: 27/04/2005
(~~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.
- 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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