

**29 October 2003**

**Quarterly Report for the period ending 30 September 2003**

**HIGHLIGHTS FOR THE QUARTER**

- Impress acquires interest in five new Cooper Basin Permits
- Further oil discoveries in Cooper Basin upgrade potential
- Placement raises \$590,000
- Cheal Block in New Zealand sold
- Impress undertakes further sales of investments
- New fund raising announced

**INVESTMENT AND FUND RAISING ACTIVITIES**

Subsequent to the end of the quarter Impress sold its remaining 2,826,772 shares in mBox on market to realise approximately \$170,000.

Impress now holds only small investments in a number of companies and will make a decision on divestments over the next 2 quarters.

During the quarter Impress placed 16.9 million shares at 3.5 cents per share to raise approximately \$590,000. The funds are required for the forthcoming drilling program in the Cooper Basin.

Subsequent to year end Impress announced that it would be seeking further funds to be used in the Cooper Basin exploration program that is now intended to be the drilling six wells over the next 12 to 18 months.

The extra funds required will be raised by a combination of a Share Purchase Plan and a placement facility. It is anticipated that approximately \$2 million will be raised to add to Impress' current cash position of A\$2.3 million.

**EXPLORATION ACTIVITY**

**AUSTRALIA**

During the quarter Springfield acquired a 15% interest in five permits in the Cooper/Eromanga Basin to significantly upgrade its acreage position. This acquisition will result in the drilling of up to six wells over the next 12 to 18 months commencing in the second quarter of 2004.

The permits acquired were PEL's 111,115, 86, 87 and 89.

**PEL 111, Cooper Basin, South Australia, 15% Working Interest**

PEL 111 covers 1,185 square kilometres and is located to the north of, and adjacent to, PEL 104. The permit surrounds the Charo oil discovery.

During the evaluation stage of PEL 104, located to the south of and adjacent to PEL 111, it became obvious that PEL 111 contained a number of shared leads and prospects as well as some interesting stratigraphic leads of significant size.

Initial evaluation of the block has identified in more detail some of the leads and a seismic program of 75 kilometres is to be recorded in December, 2003 to upgrade the leads to drillable status.

Drilling of one well is expected to commence after the two well program in PEL 104 in the second quarter of 2004.

#### **PEL 115, Cooper Basin, South Australia, 15% Working Interest**

PEL 115 covers 1,106 square kilometres and is located on the south eastern edge of the Cooper basin. Due to its location close to current producing fields the block is broken up into six separate areas.

The blocks surround, and are adjacent to, currently producing fields at Dullingari, Strezelecki, Della, Toolachee and Kidman.

Preliminary studies of available data has identified in excess of 20 oil and gas prospects, some delineated by modern 3D seismic.

The likelihood of discoveries of oil and/or gas is considered high with the economics of any discovery being particularly robust due to the proximity of pipelines and other infrastructure.

Much of the area not covered by 3D seismic has a close grid of 2D coverage and it is expected that only minor seismic recording will need to take place prior to drilling.

Drilling of three wells is expected to commence in 2004.

#### **PEL's 86, 87, 89, Cooper Basin, South Australia, 15% Working Interest**

These three lightly explored permits cover 13,500 square kilometres of prospective Eromanga Basin sediments to the north west of the PEL 104/111 blocks.

Drilling density is extremely low with only 3 wells having been drilled within the permit bounds.

Impress initial evaluation of the blocks suggest that migration of hydrocarbons into the area will be regarded as the main focus in the exploration effort but that the size of any structures will be significant.

The lack of drilling data, although a difficulty in one sense means that the areas have not been evaluated properly. Coupled with the fact that the south eastern corner of the permits is only 25kms from the Charo oil discovery suggests that the areas have potential.

Drilling is not expected in the blocks prior to 2005.

**PEL 104, COOPER BASIN, SOUTH AUSTRALIA, 12.5% WORKING INTEREST  
(increasing to 15% working interest subject to shareholder approval)**

In early May, 2003, Impress' wholly owned subsidiary, Springfield Oil and Gas Pty Ltd, entered into a farm agreement for the onshore Cooper Basin permit PEL 104 whereby Springfield could earn a 12.5% working interest. Subsequent to the end of the quarter, in October 2003, Springfield acquired a further 2.5% interest from a company associated with one of the Directors, Mr Edward Smith. This acquisition is subject to shareholder approval

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. In September 2003 the Worrior 1 well, approximately 75 kms south of PEL 104, flowed over 4,000 barrels of oil per day from two zones.

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.

Impress' initial study of the Block has outlined in excess of 20 prospects and leads that are anticipated to require only further minor evaluation to become drillable.

The initial proposed work program over the coming twelve to fifteen months will be to reprocess 1350 kms of existing seismic data, record 150 kms of seismic in December 2003 followed by the drilling of two wells.

## **NEW ZEALAND**

### **PEP 38728, ONSHORE NEW ZEALAND, 5% WORKING INTEREST**

Evaluation of the permit is continuing after a six month extension to the permit was granted. A change of Operator has also slowed the evaluation, the results of which are expected in the first quarter of next year.

### **PEP 38716, ONSHORE NEW ZEALAND, 5.49% WORKING INTEREST**

Further studies of the Huinga well and associated data is continuing and taking longer than expected. A change of Operator has also delayed any evaluation. The results and an evaluation of the prospectivity of the area is expected to be known by the first quarter of next year.

### **PEP 38738, CHEAL BLOCK, 1.25% Accounting Profits Royalty**

The interest in the Cheal Block was sold to the Operator in September 2003 for A\$25,000.

## **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")

30 September 2003

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(36)	(36)
(b) development	-	-
(c) production	-	-
(d) administration	(198)	(198)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	19	19
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Management and Office Income	73	73
Other – Refund Rent	7	7
<b>Net Operating Cash Flows</b>	<b>(135)</b>	<b>(135)</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	12	12
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
<b>Net investing cash flows</b>	<b>12</b>	<b>12</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(123)</b>	<b>(123)</b>
1.13 Total operating and investing cash flows (brought forward)	(123)	(123)
<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	-	-

+ See chapter 19 for defined terms.

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

1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(123)	(123)
1.20	Cash at beginning of quarter/year to date	1,919	1,919
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,796	1,796

**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	63
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**

4.1	Exploration and evaluation	\$A'000
		270

4.2	Development	Nil.
<b>Total</b>		<b>270</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
5.1	Cash on hand and at bank	44	204
5.2	Deposits at call	1,752	1,715
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>		<b>1,796</b>	<b>1,919</b>

### 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	PEL 86	Working	-	15.0%
	PEL 87	Working	-	15.0%
	PEL 89	Working	-	15.0%
	PEL 111	Working	-	15.0%
	PEL 115	Working	-	15.0%

### 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	113,141,923	113,141,923		

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

## Compliance statement

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

Sign here: ..... Date: 29/10/2003  
 (Director/Company secretary)

Print name: A L Meloncelli

## Notes

- 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.
- 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.
- 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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