

ASX RELEASE

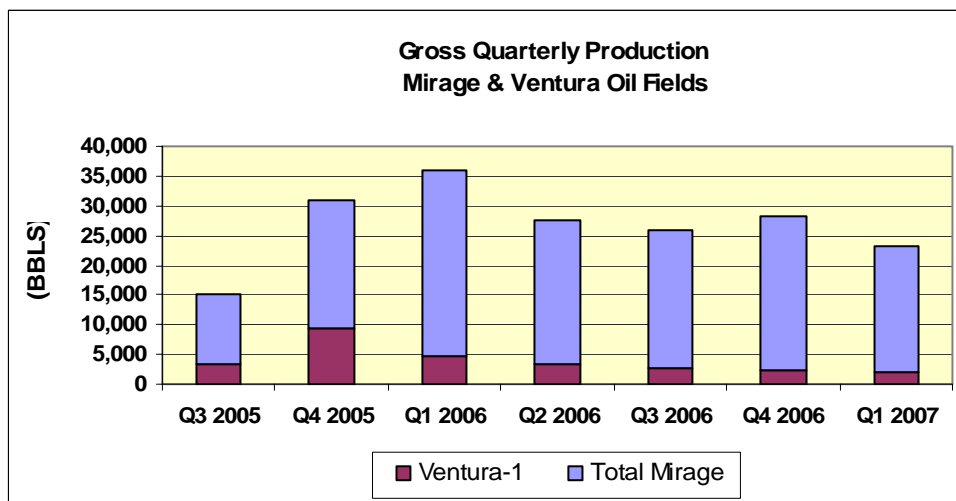
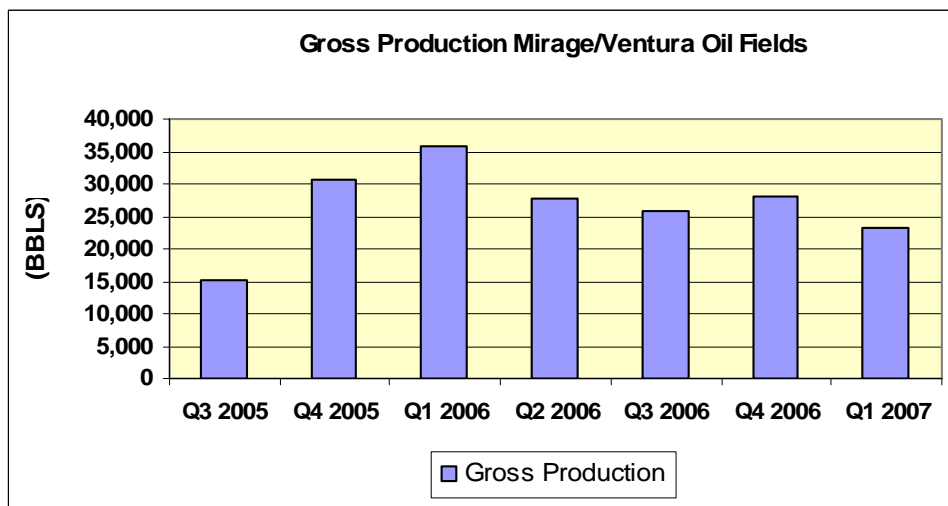
27 APRIL, 2007

Quarterly Report for the period ended 31 March 2007

HIGHLIGHTS FOR THE QUARTER

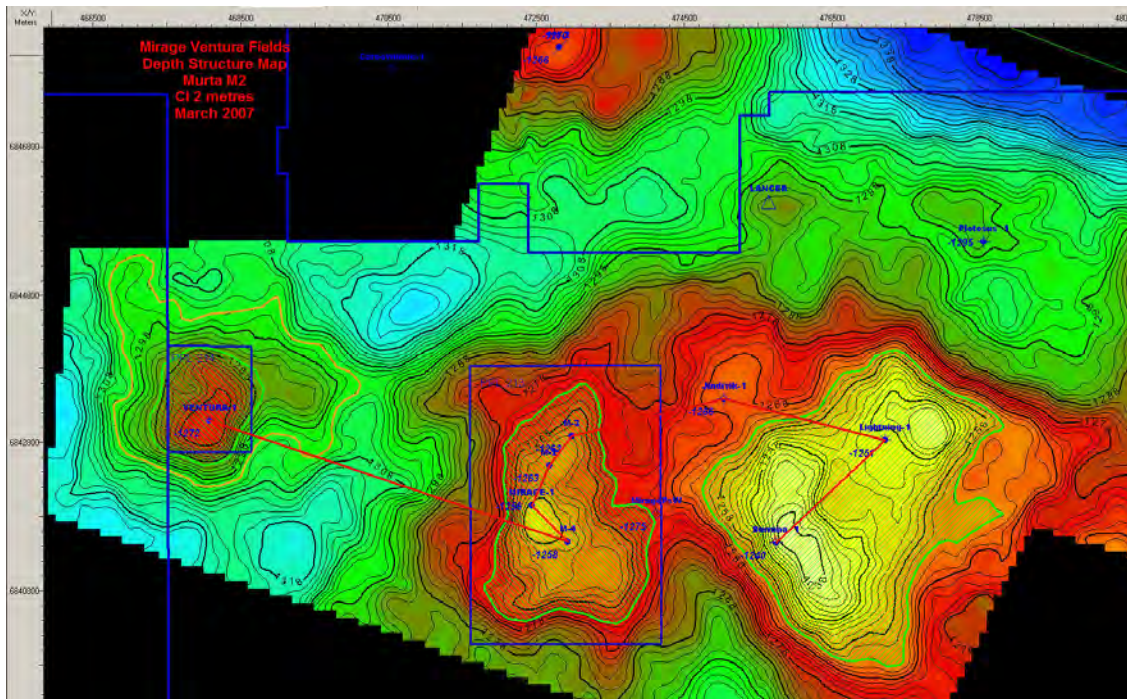
PRODUCTION AND DEVELOPMENT

- Oil production at the Mirage and Ventura Fields averages 260-280 BOPD. Net to Impress Energy is ~110 BOPD. Rains in January impacted production during the quarter.



ABN 15 009 212 319

- The Joint Venture has reviewed technical and production data from the Mirage and Ventura Fields and is currently preparing a field development plan for JV review. Reserves ranges for the fields are in line with previous estimates. Current Proved and Probable (2P) reserves for the fields are estimated to be 1.59 MMBBL.

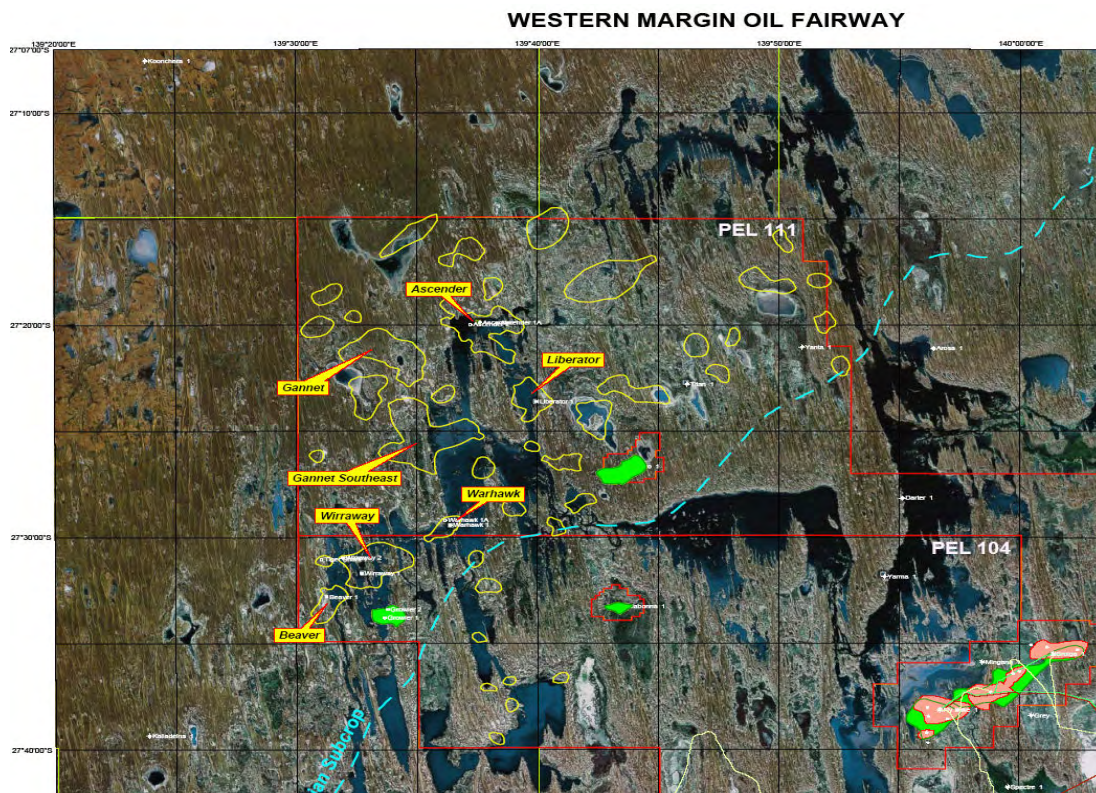


Mirage 3D Depth Structure Map Murta M2

- Following reinterpretation of the Growler-1 Drill Stem Test (DST) and Short Term Production Test (STPT) data the Joint Venture decided to re-perforate and re-test the well. This has resulted in the well achieving stabilised flow rates in the order of 30 BOPD up from the 20-25 BOPD established during the STPT. Analysis of the data from this test will be performed to determine likely flow rates of the well on pump.
- Growler-2 will be drilled after Wirraway-1 and will be an appraisal well of the Growler oil field. Growler-2 is located on the crest of the structure and the data recovered will be used to determine volumetrics and flow rates.

EXPLORATION

- Wilpinnie-4 (Tomcat Prospect)**, operated by Santos, commenced drilling on 9th January 2007. The well reached TD of 1,587m on the 21st January 2007. Interpretation of core and logs indicate an 18m oil column was encountered in the Jurassic Mid Namur reservoir. DST-1 was conducted over the interval 1,476m to 1,487m. A strong blow was observed at surface and there was an influx of approximately 24 barrels of oil during the main flow period equating to an inferred flow rate of 144 BOPD. The well has been cased and suspended as a future oil producer. It is anticipated that a production test will be carried out in June 2007 to gain more information on well productivity.
- Following a prolonged delay due to rains in the Cooper Basin, drilling commenced at **Wirraway-1** in PEL 104 on the 4th April 2007. The well reached TD of 2,048m on the 21st April. Oil shows of fluorescence and cut were observed in the lower Birkhead Formation over the interval 1,717m to 1,749m. Interpretation of wireline, pressure and side wall core data indicated that the well has intersected a 17m gross oil column over the interval 1,725m to 1,742m in the lower Birkhead Formation primary objective. Testing of the well is currently underway.
- Reprocessing and interpretation of seismic data on the western margin over PEL 104 and PEL 111 has been completed. A comprehensive Jurassic oil play inventory has been compiled with over 20 prospects and leads mapped. Seven drillable prospects have been identified with unrisks P50 reserves of 28 MMBBL in the Birkhead Formation target if oil is present. These will form the primary targets for future exploration drilling campaigns in the PEL 104 and PEL 111 area. The discovery of oil at Growler and Wirraway in the Birkhead Formation has further increased the prospectivity of this region.



Google Earth Image Cooper Basin

Forward Drilling Program Overview

Well	Location	Share	Comments
Wirraway-1	PEL 104	40%	Primary target Jurassic Birkhead. 7.6 mmbbl recoverable (P50) target. Currently testing.
Growler-2	PEL 104	40%	Appraisal well to Growler-1 oil discovery, following Wirraway-1. Q2 2007. Growler discovered 16m oil column in Jurassic Birkhead Formation and flowed 36 barrels of 49 deg API oil on DST, 1.0 mmbbl recoverable (P50).
Warhawk-1	PEL 111	40%	First well in permit, following Growler-2. Q2 2007. Oil target 8km N of Growler straddling 104/111 border. Target Jurassic Birkhead 1 mmbbl recoverable (P50).
Tomcat-1	PEL 115	40%	Follow up well to Wilpinnie-4 which recovered 24 bbl oil on DST over interpreted 18m oil column in Jurassic mid Namur. Q2 2007.
PEL 104 # 3	PEL 104	40%	Well to target Jurassic oil play from prospects and leads inventory post interpretation of reprocessed seismic 2007.
PEL 104 # 4	PEL 104	40%	Well to target Jurassic oil play from prospects and leads inventory post interpretation of reprocessed seismic. Late 2007.
Lancer-1	PEL 115	40%	Oil exploration well on structure defined by Mirage 3D. Target Murta, Jurassic and Permian reservoirs. 8km north of Mirage Production Facilities. Late 2007.
PEL 115 #3	PEL 115	40%	Oil Exploration well to target Murta, Jurassic and Permian reservoirs from prospects and leads inventory post interpretation of reprocessed seismic. Late 2007.
PEL 115 #4	PEL 115	40%	Oil Exploration well to target Murta, Jurassic and Permian reservoirs from prospects and leads inventory post interpretation of reprocessed seismic. Late 2007.

*Note wells and timing subject to change

For further information, please contact Eddy Buckovic, Chief Executive Officer on (08) 9214 2500 or eddy@iel.com.au.

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 Energy Limited

ABN

15 009 212 319

Quarter ended ("current quarter")

31 March 2007

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 oil sales	960	3,014
1.2 Payments for (a) exploration and evaluation	(648)	(3,278)
(b) development	(74)	(988)
(c) production	(330)	(1,026)
(d) administration	(395)	(1,317)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	35	127
1.5 Interest and other costs of finance paid	(27)	(52)
1.6 Income taxes paid	-	-
1.7 Other – Management and Office Income	33	103
Other – Technical Fees	124	277
Other – GST paid	(73)	(256)
Other – Tenement Sales	5	5
Other Income	5	5
Net Operating Cash Flows	(385)	(3,386)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(5)	(7)
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	(5)	(7)
1.13 Total operating and investing cash flows (carried forward)	(390)	(3,393)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Cash flows related to financing activities			
1.14	Proceeds from issues of shares (net of raising costs), options, etc.	-	4,465
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Convertible notes issued (net of expenses)	-	-
Net financing cash flows		-	4,465
Net increase (decrease) in cash held		(390)	1,072
1.20	Cash at beginning of quarter/year to date	6,731	5,506
1.21	Exchange rate adjustments to item 1.20	(44)	(281)
1.22	Cash at end of quarter	6,297	6,297

Note 1:

- Oil Sale Receivables (Mirage/Ventura – 40% interest) for the consolidated entity was \$0 (inc GST) as at 31 March 2007.
- Oil Sales for the consolidated entity for the December 2006 quarter was \$702,751 (ex GST).

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	41
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

+ See chapter 19 for defined terms.

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	2,000
4.2 Development	200
Total	2,200

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	29	186
5.2 Deposits at call	6,268	6,545
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	6,297	6,731

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.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	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	479,703,909	479,703,909	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,500,000 -	2,500,000 -	Restricted Shares - E Buckovic Restricted Shares - E Buckovic
7.5	*Convertible debt securities <i>(description)</i>	4 10	- -	Note term to 9 September 2007 - \$50,000 per note. Note term to 11 September 2007 - \$50,000 per note.
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	
7.7	Options <i>(description and conversion factor)</i>	5,000,000 10,000,000 4,000,000 4,000,000 5,000,000 5,000,000	- - - - - -	<i>Exercise price</i> 8 cents 16 cents 8 cents 12 cents 14 cents 16 cents <i>Expiry date</i> 27 January 2008 31 March 2008 31 August 2009 31 August 2010 31 August 2010 31 August 2009
7.8	Issued during quarter	4,000,000 4,000,000 5,000,000 5,000,000	- - - -	<i>Exercise price</i> 8 cents 12 cents 14 cents 16 cents <i>Expiry date</i> 31 August 2009 31 August 2010 31 August 2010 31 August 2009

+ See chapter 19 for defined terms.

7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	10,000,000		12 cents	31 March 2007
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: 27/04/2007
(~~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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+ See chapter 19 for defined terms.