



IMPRESS ENERGY LIMITED BOARD CHARTER

1. INTRODUCTION

The Board of Directors is accountable to the shareholders for the performance of Impress Energy Limited.

The Board undertakes to serve the interests of the shareholders and other stakeholders honestly, fairly, diligently and in accordance with applicable laws.

2. ROLE OF BOARD

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following:

- setting the strategic direction for the Company and monitoring its progress against those strategies;
- establishing policies appropriate for the Company;
- monitoring the performance of the Company, the Board and management;
- approving the business plan and work programs and budgets;
- authorising and monitoring investment and strategic commitments;
- reviewing and ratifying systems for health, safety and environmental management; risk and internal control; codes of conduct and regulatory compliance;
- reporting to shareholders, including but not limited to, the Financial Statements of the Company; and
- taking responsibility for corporate governance.

3. BOARD SIZE AND COMPOSITION

To add value to the Company the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations.

The number of Directors is specified in the Constitution of the Company as a minimum of three up to a maximum of ten.

Information regarding Directors' experience and responsibilities are included in the Directors' Report section of the 2009 Annual Report.

The preferred skills and experiences for a Director of the Company include:

- exploration and development of oil and gas assets ;
- understanding of production operations;
- finance and business development; and
- public company administration.

Chairman of the Board

The Chairman of the Board should be a Non-Executive Director and the Chairman will be elected by the Directors. The Board considers that the Chairman, Mr Eddie Smith is not independent.

Independent Directors

The Board considers that a Director is independent if that Director complies with the following criteria:

- Apart from Director's fees and shareholding, independent Directors should not have any business dealings which could materially affect their independent judgment;
- Must not have been in an executive capacity in the Company in the last 3 years;
- Must not have been in an advisory capacity to the Company in the last 3 years;
- Must not be a significant customer or supplier for the Company;
- Must not be appointed through a special relationship with a board member;
- Must not owe allegiance to a particular group of shareholders which gives rise to a potential conflict of interest;
- Must not hold conflicting cross Directorships; and
- Must not be a substantial shareholder or a nominee of a substantial shareholder (as defined under section 9 of the Corporations Act).

Using the ASX Best Practice Recommendations on the assessment of the independence of Directors during the year the Board considers that of a total of four Directors at 30 June 2009 there are two Directors that are considered to be independent.

Mr Eddie Smith was Executive Chairman of the Company up to 19 June 2009. He is not considered to be independent because of his substantial shareholding.

Mr Greg Smith was appointed as an alternate Director for Mr Eddie Smith and Chief Executive Officer on 19 June 2009.

Mr John Gillon and Mr Les Longden are Non-Executive Directors of the Company and, even though another company in which Mr Longden has an interest has provided minor service work to the Company, both are considered to be independent.

As from 1 September 2009, Mr Longden took up an executive role with the company as Director Corporate.

To ensure the number of non-executive board members is sufficient, Mr Bernard Crawford was also appointed to the board effective the 1 September 2009.

Retirement and Rotation of Directors

Retirement and rotation of Directors are governed by the Corporations Act 2001 and the Constitution of the Company. Each year one third Directors must retire and offer themselves for re-election. Any casual vacancy filled will be subject to shareholder vote at the next Annual General Meeting of the Company.

4. ROLE OF CHAIRMAN

The Chairman's role consists of leading the Board and general meetings of the company. The Chairman is responsible for ensuring the Directors are well informed and effective; ensuring all Director's are contributing effectively and all matters are properly considered and there is clear decision making.

The Chairman is responsible for ensuring meetings are conducted competently and ethically including ensuring that shareholders have adequate opportunity to express their views and obtain answers to any queries raised. The Chairman is responsible for setting the agenda for Board and general meetings and the review of the minutes of board and general meetings.

The Chairman's other responsibilities include:

- Representative of and spokesperson for the Board; and

- Ensure all new Board members are well briefed and have access to all aspects of the Company's operations.

5. BOARD MEETINGS

The following points identify the frequency of Board Meetings and the extent of reporting from management at the meetings:

- A minimum of four meetings are to be held per year;
- Other meetings will be held as required, meetings can be held by telephone link; and
- Information provided to the Board includes all material information on: operations, budgets, cash flows, funding requirements, shareholder movements, broker activity in the Company's securities, assets and liabilities, disposals, financial accounts, external audits, internal controls, risk assessment, new venture proposals, and health, safety and environmental reports.

6. BOARD COMMITTEES

Audit Committee

The Company does not have an audit committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by an audit committee can be adequately handled by the full Board.

Nomination Committee

The Board of Directors of the Company does not have a nomination committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by a nomination committee can be adequately handled by the full Board.

Remuneration Committee

The Company does not have a remuneration committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by a remuneration committee can be adequately handled by the full Board.

The Company's policy for determining the nature and amount of emoluments of Board members is as follows:

- Remuneration of Executive and Non-Executive Directors is reviewed annually by the Board.
- Remuneration packages are set at levels intended to attract and retain Directors and Executives capable of managing the Company's operations and adding value to the Company.