



ASX RELEASE

25 NOVEMBER, 2009

CHAIRMAN'S ADDRESS TO SHAREHOLDERS

I am more than pleased to say 2009 has been a year of real growth for our company and I am more than confident that 2010 and beyond will prove to be at least as successful, if not better.

Our company is now demonstrating that it has the assets, once fully developed, to enable us to become more than just a junior oil production player.

This coming year, based upon present oil prices and exchange rates, we expect to have net revenue of between AUD \$13 million to \$17 million for the 2010 year, which is not bad for a small company like Impress that eight months ago was struggling to survive.

With our Cooper Basin assets we certainly have the opportunity, even with today's oil prices, to lift ourselves beyond our present junior status. In this regard I note a couple of good examples of companies such as Cooper Energy and Beach Petroleum who used their base cash flow from their original Cooper Basin assets to leverage upwards into a new league.

I also note the re-emergence of interest from a number of Cooper Basin participants including Drill Search and Beach in the proposed development of both conventional and unconventional gas deposits in the Cooper Basin that are adjacent to Impress' permits. Although our short and medium term focus remains on our oil assets, we also take further encouragement for the future from the numerous Permian gas prospects and leads within our acreage and the gaseous coal measures encountered during drilling of many of our oil wells.

In 2009 all four wells that our Cooper Basin Joint Venture drilled were successful oil discoveries. Growler-5 was put into production earlier this year, and our recent oil discoveries Snatcher-1 and 2 are targeted to go into production at the end of November. It is then planned to bring Snatcher-3, and last year's oil discovery, Tigercat-1, in to production in the early part of 2010. It is encouraging to note that we do not, at this stage of the evaluation of the Snatcher Field, actually know what the ultimate field size will be. Further drilling will be required to determine the limits of these potentially significant discoveries once the Mollichuta 3D seismic processing is completed. It is also appropriate to note that the extent of the Growler Field is similarly undefined. We are confident that both the Snatcher and Growler Fields will grow in size once this assessment is made.

The above uncertainties about field extents means that our reserves attribution has been made on a very conservative basis of representative drainage areas around each well. Therefore, we believe, the market is probably not giving Impress adequate recognition of the true potential of our assets. Further drilling and also 3D seismic interpretation is expected to rectify this situation in 2010.

With the new production wells and the present Growler/Mirage wells, the Joint Venture's gross oil production is expected to be in excess of 2,000 BOPD (Impress share 800 BOPD) and there is good reason to expect that this figure, given our confidence in the Western Margin Oil Fairway, will be ultimately much higher.

As you would be aware, during 2009 the Joint Venture completed the upgrade to the Growler Oil Field facilities. The purpose of the upgrade was to enable the Joint Venture to be able to process 2,000 barrels of fluid including up to 500 barrels of water per day. Unfortunately, even with all five Growler wells on stream, we are at this stage only producing 1,000 BOPD from these facilities. The reasoning for this level of production is due to the Operator's concern about the possibility of a significant early water cut and damage to the free flowing wells, Growler-3 and Growler-5. At this time the Operator is carrying out a number of tests with respect to concerns about what impact early water cut from the free flowing wells will have on ultimate field reserves and depending upon the conclusions from these tests, will make further recommendations to the Joint Venture.

2009 also saw the very significant investment by your company in the Mollichuta 3D seismic survey which covers the southern half of the Western Oil Fairway in our permits including the Growler, Snatcher, Warhawk, Wirraway and Tigercat Oil Fields. Use of 3D seismic data to define reservoir trends in the Birkhead Formation has proved spectacularly successful with the three Snatcher wells and it is expected that once fully processed, the Mollichuta 3D will enable similar reservoir prediction. As you are probably aware there have been issues associated with the processing of this data which has delayed its availability to the Joint Venture. However, a fully processed data set should be available to assist with well locationing and reserves determination early in 2010.

As you can see from the front table, there have been some changes in the Board and Management of the Company. Greg, apart from his company making technical input, has taken on board a further role in the day to day matters of the company in my absence. Les is now an executive of the company, adding the benefit of both his contacts and his oil and gas engineering experience. Another new addition to our team is Bernard. In these days of need for guidance in the financial world and also of greatly increased focus on corporate governance, Bernard is a real welcome addition to the company and he certainly adds comfort in these matters.

On behalf of the shareholders I would like to thank, not only all of our Directors, but also Carolyn, Fiona, Sandra and Ernie from our West Perth office for their support and input during the past year. Without them we would not be in this solid forward position.

Finally, as I stated in my opening, I am more than confident of our continued growth in the years ahead.

Thank you and best wishes for the coming season.

Regards
Eddie Smith
Chairman
IMPRESS ENERGY LIMITED

For any information with respect to Impress and its activities, please contact Greg Smith either by phone on (08) 9214 2500 or by email at info@iel.com.au