ASX Release

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BEACH INCREASES RELEVANT INTEREST IN IMPRESS TO GREATER THAN 65 PERCENT

Beach advises it has increased its relevant interest in Impress to above 65 percent, as a result of continued on-market acceptances by Impress shareholders.

Beach Energy Ltd (ASX: BPT, "Beach") announced on Monday, 6 December 2010, a recommended and unconditional on-market cash offer ("Offer") for all of the issued and outstanding shares of Impress Energy Ltd (ASX: ITC, "Impress"), that it did not own, for 8.5 cents per share. On Tuesday, 14 December 2010, Beach gained majority control of Impress and has since increased its relevant interest in Impress to above 65 percent.

Beach encourages the remaining Impress shareholders to accept the Offer as:

- The Offer represents a significant premium to the price that Impress was trading at prior to Beach initially expressing interest in Impress on 22 November 2010;
- The Offer is unanimously recommended by Impress Directors;
- All Impress Directors have accepted the Offer in respect of all their shareholdings;
- It is highly unlikely an alternative bid will emerge as Beach has majority control;
- The future capital requirements of Impress could see remaining shareholders diluted; and
- The trading volume of Impress shares may fall if the Offer closes without Beach having acquired all the Impress shares.

The Offer to Impress shareholders will close on 24 January 2011, unless extended or withdrawn. Impress shareholders can accept the Offer by instructing their broker to sell their shareholding to Beach through its broker for the Offer, Euroz Securities Limited.

For more information contact

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