



16 December 2010

Dear Impress shareholder,

On 6 December 2010, Euroz Securities Limited on behalf of Beach Energy Ltd (Beach) announced a recommended and unconditional on-market cash offer (Offer) for all of your Impress Energy Limited (Impress) shares. The Offer has the full support of your Board and replaces the previously announced merger between Beach and your company Impress that was to be implemented by way of a scheme of arrangement.

As the Chairman of Beach, I am writing to urge you to accept this Offer and monetise the value of your investment as soon as possible.

Many Impress shareholders, including Impress Directors, have already accepted the Offer. These acceptances have seen Beach increase its relevant interest in Impress, as at 14 December 2010, to 55%.

To accept the Offer you can sell on market, allowing three trading days for the receipt of cash.

I believe Beach's Offer represents a compelling opportunity for Impress shareholders, as it enables you to realise a 39% premium to the one month volume weighted average price of 6.1 cents per share that Impress shares were trading at before the announcement of the proposed merger on 22 November 2010.

I ask that you read the Bidder's Statement carefully and give full consideration to the Offer from Beach to acquire your shares.

If you have any questions in relation to the Offer you can contact the Beach Offer Information Line on 1800 027 732 within Australia or +61 8 8232 8800 from outside Australia.

I encourage you to take up Beach's Offer and look forward to your support.

Yours sincerely,

Bob Kennedy
Chairman
Beach Energy Ltd

Beach Energy Ltd
ABN: 20 007 617 969
ASX Code: BPT

25 Conyngham Street
GLENSIDE SA 5065

GPO Box 175
ADELAIDE SA 5001

Tel: +61 8 8338 2833
Fax: +61 8 8338 2336

Web:
www.beachenergy.com.au
Email:
info@beachenergy.com.au