

TARGET'S STATEMENT

by

IMPRESS ENERGY LIMITED
(ACN 009 212 319)

in relation to the offer by

BEACH ENERGY LIMITED
(ACN 007 617 969)

TO ACQUIRE YOUR SHARES IN
IMPRESS ENERGY LIMITED

Impress' Directors Unanimously Recommend
That You

ACCEPT

Beach's Offer
in the absence of a Superior Offer

THIS IS AN IMPORTANT DOCUMENT

If you do not understand it or are in doubt as to how to act, you should consult your lawyer, accountant, stockbroker or financial adviser immediately.

Legal advisor to Impress

HARDY ♦ BOWEN
LAWYERS

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IMPORTANT INFORMATION

This is an important document. If you do not understand it or are in doubt as to how to act, you should consult your lawyer, accountant, stockbroker or financial adviser immediately.

Nature of this document

This Target's Statement is dated 13 December 2010 and is given under Section 635 of the Corporations Act by Impress Energy Limited ACN 009 212 319 (**Impress**) in response to the Bidder's Statement lodged by Beach Energy Limited (ACN 007 617 969) (**Beach**) with the Australian Securities and Investments Commission (**ASIC**) on 6 December 2010 and served on Impress by Beach on 6 December 2010.

ASIC and ASX Disclaimer

A copy of this Target's Statement has been lodged with ASIC and the Australian Securities Exchange (**ASX**). Neither ASIC or ASX nor any of their respective officers take any responsibility for the content of this Target's Statement.

No account of personal circumstances

The recommendations of Impress' Directors obtained in this Target's Statement do not take into account the individual investment objectives, financial situation or particular needs of each Impress shareholder. You may wish to seek independent professional advice before making a decision as to whether to accept or not to accept the Offer.

Forward-looking statement

This Target's Statement contains various forward-looking statements. Statements other than statements of historical fact may be forward-looking statements. Impress shareholders should note that such statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of Impress. Actual results, values, performance or achievements may differ materially from results, values, performance or achievements expressed or implied in any forward looking statement.

None of Impress, its officers, any person named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any results, values, performances or achievements expressed or implied in any forward looking statement, except to the extent required by law. Shareholders should not place undue reliance on any such statement.

The forward-looking statements in this Target's Statement on behalf of Impress only reflect views held as at the date of this Target's Statement.

Notice to foreign shareholders

The distribution of this Target's Statement may, in some countries, be restricted by law or regulation. Persons who come into possession of this Target's Statement should inform themselves of and observe those restrictions.

Information on Beach in this Target's Statement

Except where disclosed otherwise, the information on Beach in this Target's Statement has been obtained from the Bidder's Statement and other publicly available information. Impress and its directors are unable to verify the accuracy or completeness of the information on Beach.

Subject to the Corporations Act, neither Impress, nor its officers make any representation or warranty, express or implied, regarding such information and disclaim any responsibility in respect of that information.

Privacy statements

Impress has collected your information from the Impress Share Register for the purpose of providing you with this Target's Statement. The type of information that Impress has collected about you includes your name, contact details and information on your shareholding in Impress. The Corporations Act requires the name and address of Shareholders to be held in a public register.

Impress has also provided or will provide personal information about its Shareholders to Beach in accordance with the Corporations Act and the ASX Settlement Operating Rules. Beach states in the Bidder's Statement that it may disclose this information on a confidential basis to its Related Bodies Corporate and external service providers, and that it may be disclosed to the regulators, such as ASIC.

Defined terms

Various defined terms are used in this Target's Statement. Unless the contrary intention appears, the context requires otherwise, or words are defined in Section 10.2 of this Target's Statement, words and phrases in this Target's Statement have the same meaning and interpretation as in the Corporations Act.

No internet site is part of this Target's statement

No internet site is part of this Target's Statement. Impress maintains a website (iel.com.au). Any references in this Target's Statement to this website are textual references only and do not form part of this Target's Statement.

Shareholder Enquiries

If you have any queries regarding Beach's Offer or how to accept, please contact your broker, legal, financial, taxation or other professional advisor or telephone Impress on +61 8 9214 2500.

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KEY POINTS

- Beach is offering \$0.085 for each Impress Shares you hold. This is a significant premium to the market price of Impress Shares before Beach and Impress announced a proposed scheme of arrangement on 22 November 2010.
- Each Impress Director recommends the Beach Offer for your Impress Shares in the absence of a Superior Offer. Accordingly, you should **ACCEPT** the Offer.
- Each Impress Director has already accepted the Offer in respect of their Impress Shares.
- Beach is offering cash for your Impress Shares which provides you with certainty compared with retaining your Impress Shares.
- The Offer is unconditional and you can sell your Impress Shares immediately.
- As at 6 December 2010 Beach had acquired a Relevant Interest in 19.98% of Impress Shares. As at 10 December 2010 Beach had acquired a Relevant Interest in 47.61% of Impress Shares.
- Beach's Offer will expire on 24 January 2011 (unless extended or withdrawn beforehand).

IMPORTANT DATES

Offer announced	6 December 2010
Offer Period commences	21 December 2010
Date of this Target's Statement	13 December 2010
Close of Beach's Offer Period (unless extended or withdrawn)	24 January 2011

Letter from the Chairman of Impress

13 December 2010

Dear Shareholder

On 6 December 2010, Beach announced an on market takeover bid for Impress Energy Limited.

Beach's Offer values an Impress Share at \$0.085, which is a significant premium to the market price of Impress Shares before Beach and Impress announced a proposed scheme of arrangement on 22 November 2010.

This Target's Statement sets out your Directors' formal response to the Offer. **The Board of Impress have made the unanimous decision to recommend the Offer, in the absence of a Superior Offer.** The recommendation from the Board is based on a number of factors, including the following:

1. The Offer represents a significant premium to Impress' recent trading value prior to the announcement by Beach and Impress of the proposed scheme of arrangement on 22 November 2010;
2. Beach is offering cash for your Impress Shares which provides you with certainty compared with retaining your Impress Shares; and
3. The Offer is unconditional and you can sell your Impress Shares immediately.

Each Impress Director has already accepted the Offer in respect of all their interests in Impress Shares.

When assessing whether to accept the Offer you should consider the taxation implications of the Offer which are outlined in Section 8.1 of this Target's Statement and Impress' business risks which are outlined in Section 6.

To accept the Offer you should carefully follow the instructions in Section 3 of the Bidder's Statement. The Offer is due to close at close of trading on ASX on 24 January 2011 (unless extended or withdrawn).

If you have any questions in relation to your position as a Shareholder I encourage you to seek either financial or legal advice without delay.

Yours faithfully



Eddie Smith
Chairman, Impress Energy Limited

1. Recommendations of the Impress Directors

1.1 Summary of the Offer

The consideration being offered by Beach under the Offer is \$0.085 for each Impress Share you own.

The Offer is an unconditional cash offer.

1.2 Directors' Recommendation

The Directors unanimously recommend that, in the absence of a Superior Offer, you accept Beach's Offer for your Impress Shares.

In making this recommendation, each Impress Director has considered the merits of Beach's Offer and weighed up the factors for and against acceptance.

In making their decision, Shareholders should:

- (a) read the Bidder's Statement and this Target's Statement in full; and
- (b) consider the risk of failure of future exploration and development, and the risk of dilution from funding further exploration and development, against the certainty of receiving cash for their Impress Shares now.

The key considerations in favour of accepting the Offer are:

(a) Unconditional Cash Offer

The Beach Offer is unconditional and gives Shareholders the opportunity to receive cash for their Shares within 3 trading days (T+3 basis) of selling their Shares and with the relative certainty of an on-market transaction.

(b) Premium to Impress Shareholders

The price being offered by Beach of \$0.085 per Impress Share, represents a premium of:

- (i) 25% to the closing price of \$0.068 per Impress Share on ASX on 19 November 2010, the last trading day before 22 November 2010;
- (ii) 9% to the closing price of \$0.078 per Impress Share on ASX on the last trading day before 6 December 2010;
- (iii) 54.5% to the three month VWAP of \$0.055 per Impress Share on ASX on 19 November 2010; and
- (iv) 14.9% to the three month VWAP of \$0.074 per Impress Share on ASX on the last trading day before 6 December 2010.

(c) The price of Impress Shares may fall if Beach's Offer is not fully successful.

If Beach's Offer is not fully successful (for example, if it does not acquire all the Impress Shares), it is possible that the market price and trading volumes of Impress Shares may fall, at least in the short term, to levels to which they

were trading before the announcement of the Scheme of Arrangement on 22 November 2010.

(d) Potential for dilution

The continued assessment of Impress' projects in the future will require additional finance through equity or debt or a combination of both. Depending on market conditions at the time, Impress may not be able to raise the necessary capital on reasonable terms and any required capital raisings could result in a substantial dilution of existing Shareholders' interests.

(e) No longer subject to risks of exploration and development

The certainty provided by receiving cash at a premium to the market price under the Offer should be compared with the risks and uncertainties associated with remaining a Shareholder including:

- (i) Impress' uncertain earnings profile and the uncertainty of Impress' ability to generate future earnings, positive cashflow or dividends;
- (ii) oil and gas price risk;
- (iii) the geological, exploration and development risks of Impress' exploration portfolio;
- (iv) the operational and technical risk of hydrocarbon operations;
- (v) additional funding and capital investment risk which, if Shareholders do not participate in those additional funding arrangements, may lead to the dilution of their interests;
- (vi) country political risks, regulatory risks and foreign exchange risks; and
- (vii) the risk of adverse weather conditions over a prolonged period which can adversely affect exploration and development activities and the timing of revenues.

Further details of the risks of being an Impress Shareholder are in section 6.

(f) Impress Directors are unaware of a Superior Offer

The Directors of Impress are not currently aware of any Superior Offer that may be made to Shareholders.

(g) Beach Relevant Interest

As of the date of this Target's Statement, Beach had acquired a Relevant Interest in 47.61% of the Impress Shares. This means that no other party would now be able to secure full ownership and control of Impress without agreement from Beach and it is reasonable to expect that this fact provides a significant deterrent to other parties potentially making a competing Superior Offer for Impress. Also, Impress Shareholders who do not accept the Beach Offer will risk being exposed to reduced trading liquidity for their Impress Shares.

The key considerations in favour of not accepting the Offer are as follows:

(a) Reduced exposure to exploration potential of Impress assets

Impress has exploration potential and upside, in which Shareholders who accept the Offer may not participate if they accept Beach's Offer. However, this has to be weighed against the dilution which may occur if Impress remains an independent company and raises working capital to fund its projects through further equity raisings.

(b) Inability to accept a Superior Offer if one was to emerge

Beach's Offer will preclude Shareholders from accepting a Superior Offer from a third party, should one emerge during the Offer Period. As at the date of this Target's Statement, the Directors are not aware of a proposal by anyone to make a Superior Offer.

Accepting Beach's Offer will deny a Shareholder the benefit of any superior price offered by Beach which, under the Corporations Act, is not required to be extended to those Shareholders who have already accepted Beach's Offer. As at the date of this Target's Statement, Beach has given no indication that it intends to increase its Offer price.

(c) Tax implications

See Section 8.1 for an overview of the tax consequences for accepting the Offer.

1.3 Acceptance by Directors

Each Impress Director has already accepted the Offer in respect of all their interests in Impress Shares.

1.4 Further Developments

Should there be any developments during the Offer Period (for example, the emergence of a Superior Offer from Beach or another bidder) which would alter the Directors' recommendations in relation to Beach's Offer, Shareholders will be notified through an ASX announcement and a supplementary Target's Statement.

2. Important information for Shareholders to consider

2.1 The Offer

Beach announced its intention to make a on-market takeover bid for Impress on 6 December 2010. A summary of the Offer is in Section 5 of this Target's Statement and Section "Features of the Offer" and Section 1 of the Bidder's Statement. The Offer is open for acceptance until close of trading on ASX on 24 January 2011, unless the Offer is extended or withdrawn in accordance with the Corporations Act.

2.2 Assets of Impress

Impress Energy is a listed oil exploration and production company whose principal assets are located in onshore South Australia. The assets include 40% working interests in two production licenses, PPL 213 and PPL 214, one Retention License (PRL-15) and each of four exploration permits (PEL 104, PEL 111, PEL 89 and PEL 424) located principally on the newly emerging Jurassic oil province on the western side of the Cooper Basin known as the Western Oil Fairway. The part of the fairway over which Impress has interests contains seven oil fields. These are the Growler, Wirraway, Warhawk, Tigercat, Snatcher, Callabonna and Charo Oil Fields. The latter two fields are operated by Santos and lie in PPLs 176 and 177 respectively, which are encompassed by the larger exploration permits in which Impress holds a 40% interest. Almost all of the oil production in the Impress areas is obtained from sandstones within the Middle Jurassic Birkhead Formation although small amounts of oil have also been produced from the Namur Sandstone.

At the end of 2009 the joint ventures in which Impress Energy participates had a total combined oil production of around 1500 barrels per day (600 barrels per day to Impress) before a one-in-forty year Cooper Basin flood event led to all producing fields being shut-in in early 2010. The Mirage / Ventura field (PPL 213 and PPL 214) has been producing intermittently again since June 2010 but, as of the date of this Target's Statement, the Growler and Snatcher fields remain shut-in due to flooding and significant rainfall that continues to fall across Central Australia. At this time, access to the Impress facilities in the Western Oil Fairway is not likely to be regained until at least the first quarter of 2011.

PRODUCTION ACTIVITY

PRL 15 Growler Field, Cooper Basin, South Australia 40% Working Interest

The Growler Field, located on the western side of the Cooper Basin, was discovered by Growler-1 in 2006 and has been successfully appraised by four wells, all of which have been completed as oil producers.

The Growler Field is contained within Petroleum Retention Licence 15 (PRL 15). The field has been on Extended Production Test (EPT) since March 2008 and cumulative production to date is over 470,000 barrels of oil.

The Growler Field was shut in due to flooding in February 2010 after reaching 'tank tops' and the field remains shut in due to significant rainfall.

PEL 111 Snatcher Field, Cooper Basin, South Australia 40% Working Interest

The Snatcher field is located adjacent to the Santos operated Charo Field (Santos PPL 177) and lies within PEL 111. The field was discovered with the drilling of the Snatcher-1 well in June 2009. Snatcher-1 encountered a 15 metre oil column in well developed Birkhead Formation sandstones. The well was completed as an oil well.

The Joint Venture subsequently drilled Snatcher-2 to the northwest of Snatcher-1, to evaluate a separate sand body defined by 3D seismic. This well spudded in August 2009 and intersected a 19 metre oil column in well developed Birkhead Formation sandstones. The well was also completed as an oil well.

Snatcher-3 was then drilled to the northwest of Snatcher-2 to further evaluate the Birkhead reservoir. The well encountered developed reservoir sandstones with a full oil column and was cased for future production.

The joint venture agreed to an extended production test (**EPT**) for the Snatcher Field and temporary production facilities were established at Snatcher-1, linked by a flow line from Snatcher-2. Production commenced in December 2009 and over 10,700 barrels of oil were produced prior to the field being shut in at the beginning of February 2010.

The Snatcher Field remains shut in due to significant rainfall and the temporary facilities are currently unmanned. Due to extensive surface standing water, Snatcher-1 and Snatcher-2 will likely remain inaccessible for production until at least the second half of 2011.

PPL 213 Mirage Field and PPL 214 Ventura Field, Cooper Basin, South Australia 40% Working Interest

The Mirage Field PPL 213 and Ventura Field PPL 214 production licences are two separate production permits located within PEL 115. Impress withdrew from PEL 115 at the end of 2007.

There are three production wells in PPL 213 and PPL 214 that when producing can cumulatively flow up to about 75 BOPD. However, these wells have been subjected to intermittent shut-ins of varying duration during recent times due to ongoing rainfall events.

EXPLORATION ACTIVITY

PEL 104, Cooper Basin, South Australia 40% Working Interest

PEL 104 is located on the Western Margin of the Cooper Basin. PRL 15 containing the Growler Field, was excised from the PEL 104 permit following the Growler discoveries in 2006 and 2007. The PEL 104 permit also surrounds the Santos operated Callabona Oil Field in PPL 176.

Following the results of the Growler appraisal and development drilling program in encountering well developed channel sandstones within the Birkhead Formation the joint venture committed to a 3D seismic program acquisition in 2009. The program covered parts of PEL 104 with additional coverage over PRL 15 and part of PEL 111.

Initial interpretation of the data was completed in mid-2010 and this interpretation is expected to form the primary basis for the selection of future drilling prospects in the permit.

PEL 104 also contains the Tigercat-1 discovery drilled in 2008. Tigercat-1 encountered an eighteen metre oil column in fair to good quality sandstones within the Birkhead Formation. Once access to the area is regained after the flooding the joint venture is planning to commence an EPT on this discovery with possible further appraisal drilling to follow once the results of the EPT are known.

PEL 111, Cooper Basin, South Australia 40% Working Interest

PEL 111 is located on the Western Margin of the Cooper Basin. The permit is located to the north of, and adjacent to PEL 104. The permit surrounds the Santos operated Charo Field.

The permit was partially covered by the Mollichuta 3D seismic acquisition discussed above for the PEL 104 area. On the basis of interpretation of this seismic data the Joint Venture is considering a number of future drilling prospects targeting channel sandstones within the Birkhead Formation initially at surface locations unaffected by floodwaters.

PEL 87 & PEL 424, Cooper Basin, South Australia 40% Working Interest

PEL 87 and PEL 424 lie to the north, north-west of PEL 111 and have not been the subject of any significant exploration work to date. The permits currently have minor firm work commitments and are not considered to form part of the core focus of the Company at this point in time.

Heron Resources / INCO Kalgoorlie Nickel Project

The Company has a 10% free carried interest in a number of nickel tenements in Western Australia acquired during its life as a mining company in the mid 1990s. The nickel tenements (PL 24/3179 to PL 24/3184 inclusive) are in the Siberia Tank part of the larger Kalgoorlie Nickel Project (KNP) being considered for development by Heron Resources (ASX code: HRR).

The nickel tenements, in relation to the oil assets of the Company, are not considered to be of material value.

2.3 Value of Beach's Offer

Beach is offering to acquire all of your Impress Shares. Beach is offering \$0.085 cash for each of your Impress Shares.

2.4 Minority ownership consequences

Beach's Offer is not subject to any conditions. If Beach does not acquire all of the Impress Shares, and Beach is not able to compulsorily acquire the rest of the Impress Shares under the Corporations Act, but acquires the majority of the Impress Shares, there may be a number of possible implications for Impress Shareholders, including:

- (a) Beach will be in a position to cast the majority of votes at a general meeting of Impress. This will enable it to control the composition of Impress' Board and senior management, determine Impress' dividend policy and control the strategic direction of the businesses of Impress and its subsidiaries;

- (b) the Impress Share price may fall immediately following the end of the Offer Period and it is unlikely that Impress' Share price will contain any takeover premium;
- (c) the liquidity of Impress Shares may be lower than at present;
- (d) if the number of Impress Shareholders is less than that required by the ASX Listing Rules to maintain an ASX listing then Beach may seek to have Impress removed from the official list of the ASX. If this occurs, Impress Shares will not be able to be bought or sold on the ASX; and
- (e) if Beach acquires 75% or more of the Impress Shares it will be able to pass special resolutions at meetings of Impress' Shareholders. This will enable Beach to, among other things, change Impress' Constitution.

If Beach does proceed to compulsory acquisition, then Impress Shareholders who do not accept the Offer will still be entitled to receive the Offer consideration. However, as a result of the need to complete the compulsory acquisition procedures set out in the Corporations Act, there is likely to be a delay of up to six weeks in the provision of that consideration, and therefore payment to Impress Shareholders. See Section 5.11 for further information.

2.5 Dividend issues for Impress Shareholders

Impress has not paid a dividend to Shareholders since listing on the ASX. As an exploration company, the Directors consider it unlikely that Impress will pay dividends in the foreseeable future if the Company continues as a stand alone entity with its current business composition.

2.6 Other alternatives to the Offer

As at the date of this Target's Statement, no offers (other than Beach's Offer) have been made to acquire your Impress Shares.

2.7 Impress' Share price absent the Offer

While there are many factors that influence the market price of Impress Shares, the Directors anticipate that, following the close of the Offer, the market price of Impress Shares may fall if Beach's Offer does not result in the acquisition of all of the Shares in Impress.

2.8 Taxation consequences of a change in control in Impress

The taxation consequences of accepting the Offer depends on a number of factors and will vary depending on your particular circumstances. A general outline of the Australian taxation considerations of accepting the Offer are set out in Section 8.1 of this Target's Statement and Section 9 of the Bidder's Statement.

You should carefully read and consider the taxation consequences of accepting the Offer. The outline provided in the Bidder's Statement and the Target's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances.

2.9 Company announcements

Impress is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules of ASX.

Copies of announcements lodged with ASX can be obtained from the ASX's website (asx.com.au).

3. Frequently asked questions

This section answers some frequently asked questions about the Offer. It is not intended to address all issues relevant to Shareholders. This section should be read together with all other parts of this Target's Statement.

Question	Answer
What is the Offer for my Shares?	Beach has made an on-market offer of \$0.085 for each of your Impress Shares.
What choices do I have as a Shareholder?	As a Shareholder you can: <ul style="list-style-type: none">• accept the Offer and sell your Impress Shares on market. The Directors recommend that you ACCEPT the Offer (in the absence of a Superior Offer); or• reject the Offer by doing nothing.
What are your Directors recommending?	Your Directors unanimously recommend that you ACCEPT the Offer in the absence of a superior offer.
How do I accept the Offer?	To ACCEPT the Offer, you should carefully follow the instructions in Section 3 of the Bidder's Statement.
What do your Directors intend to do with their Shares?	Each Director has already accepted the Offer in relation to Shares held by him and sold his Shares to Beach.
What happens if the Offer Price is increased or a superior offer is made by a third party or the price for the Shares on the ASX increases?	You will not benefit if the Offer Price is increased after you have accepted the Offer, nor will you benefit if a Superior Offer is made by a third party or the price for the Shares on the ASX increases after you have accepted the Offer.
What are the consequences of accepting the Offer now?	If you accept the Offer you will not be able to accept a superior offer from Beach or any other bidder if such an offer is made, or benefit from any higher price in the market.
If I accept the Offer now, can I withdraw my acceptance?	No, once you have accepted the Offer, you will be legally bound to sell those Shares and you cannot later withdraw your acceptance.
Can Beach vary the Offer?	Yes. Beach can vary the Offer by extending the Offer Period or increasing the Offer Price (although any increase in the Offer Price will not apply to you if you have accepted the Offer).
Can I be forced to sell my Shares?	You cannot be forced to sell your Shares unless Beach acquires a Relevant Interest in at least 90% of all the Shares by the end of the Offer Period, and proceeds to compulsory acquisition of your Shares. If that happens, you will be provided the last consideration offered by Beach for the Shares before compulsory acquisition

Question	Answer
	<p>commences.</p> <p>You should note that all of the Directors, who, prior to the date of the Offer, collectively held a 24.1% interest in Impress, have already sold their Shares to Beach.</p>
<p>Will there be any costs associated with accepting the Offer?</p>	<p>As the Offer is an on market offer, Shareholders may only accept the Offer through brokers who are members of ASX. If you decide to accept the Offer, any brokerage charged by such broker will be your sole responsibility.</p>
<p>When does the Offer close?</p>	<p>The Offer is presently scheduled to close at the close of trading on ASX on 24 January 2011, but the Offer Period can be extended in certain circumstances in accordance with the Corporations Act. See section 5.6 for details on extending the Offer Period.</p>
<p>What are the tax implications of accepting the Offer?</p>	<p>A general outline of the tax implications for certain Australian resident Shareholders of accepting the Offer is set out in section 8.1 of this Target's Statement and section 9 of the Bidder's Statement. You should not rely on that outline as advice on your own affairs. It does not deal with the position of certain Shareholders. You should therefore seek your own personal, independent financial and taxation advice before making a decision as to whether or not to accept the Offer for your Shares.</p>
<p>Can overseas Shareholders accept the Offer?</p>	<p>Overseas Shareholders can accept the Offer by selling their Shares to Beach on market like any other Shareholder.</p>
<p>Is there a phone number that I can call if I have further queries in relation to the Offer?</p>	<p>If you have any further queries in relation to the Offer, please call Impress on +61 8 9214 2500.</p>

4. Your choices as an Impress Shareholder

Impress' Directors recommend that you ACCEPT the Offer (in the absence of a Superior Offer).

In considering whether to accept the Offer, the Directors encourage you to read this Target's Statement and seek professional advice if you are unsure as to whether accepting the Offer is in your best interests, taking into account your individual circumstances.

The Bidder's Statement contains important information which Shareholders are urged to read carefully. Shareholders should note that Impress has not undertaken investigations to verify the accuracy or completeness of the information contained in the Bidder's Statement and neither Impress nor its Directors or advisers makes any representation as to the accuracy or completeness of information contained in the Bidder's Statement. To the fullest extent permitted by law, each of those parties disclaims liability to any person who acts in reliance of that information.

Shareholders who would like further information on Impress or its projects before making a decision about the Offer are encouraged to exercise their right under the Corporations Act to obtain from ASIC copies of all documents lodged by Impress with ASIC or ASX. Shareholders can also find information about Impress and its activities on the Impress website at iel.com.au.

During the Offer Period you have the following choices:

ACCEPT the Offer

If you wish to accept the Offer, you should follow the instructions set out in the Bidder's Statement.

You will receive \$0.085 for each of your Impress Shares paid in cash on a T+3 basis.

You should consider the timing of any acceptance of the Offer in light of the fact that a Superior Offer by another party may emerge which you would be precluded from accepting if you had already accepted Beach's Offer or Beach may vary the Offer and you will not receive any benefit from the variation if you have already sold your Impress Shares. As at the date of this Target's Statement, the Directors are not aware of a proposal by anyone to make a Superior Offer.

OR

REJECT the Offer

If you wish to retain your Impress Shares, you need take no action in relation to the Offer. Impress Shareholders should note that if Beach acquires 90% of the Impress Shares and the compulsory acquisition provisions of the Corporations Act are satisfied, it will be entitled to compulsorily acquire the Impress Shares that it does not already own.

5. Key features of Beach's Offer

5.1 On market takeover bid

Beach will make Offers under an on market takeover bid to buy all Impress Shares that exist or will exist any time during the Offer Period other than those in which it has a Relevant Interest at the Offer Date.

The consideration being offered by Beach is \$0.085 for each Impress Share.

5.2 Offers to be made by Euroz

The Offers will be made by Euroz Securities Ltd on behalf of Beach on ASX during the Offer Period.

5.3 Unconditional Offer

The Offer is an unconditional cash offer.

5.4 Offer Period

Unless Beach's Offer is extended or withdrawn, it is open for acceptance from 21 December 2010 until close of trading on ASX on 24 January 2011. The circumstances in which Beach may vary or withdraw its Offer are set out in Sections 5.6 and 5.7 respectively of this Target's Statement.

5.5 Offers before the Offer Period

Beach is offering to buy on ASX from 6 December 2010 to 20 December 2010 (ie. before the Offer Period) your Impress Shares at \$0.085 for each Impress Share.

5.6 Variation of the Offer

Beach may vary the Offer in accordance with the Corporations Act (which may include extensions of the Offer Period or an increase in the Offer Price). Any variation to the Offer will be notified on Beach's website beachenergy.com.au and announced to ASX. If you have sold your Impress Shares before any such announcement then you will not receive any benefit from the variation.

5.7 Withdrawal of Offer

Beach may withdraw the Offer in accordance with the Corporations Act (which may include an application to ASIC to withdraw acceptances in respect of those Offers which have not been accepted).

5.8 When you will receive payment if you accept the Offer

Payment for acceptances will be received on a T+3 basis in line with the normal practice of an on market purchase of shares on ASX. This means you will be paid within three trading days of your acceptance.

5.9 Brokerage

As the Offers will be on market offers made only during official trading days of the ASX, you may only accept the Offers through brokers who are members of ASX. Any brokerage charged by such brokers is your responsibility.

5.10 Effect of an improvement in consideration on Shareholders who have already accepted the Offer

If Beach improves the consideration offered under the Offer, you will not be entitled to the benefit of that improved consideration if you have already sold your Impress Shares.

5.11 Compulsory acquisition

Beach has indicated in Section 6.3 of its Bidder's Statement that if it satisfies the required thresholds it intends to compulsorily acquire any outstanding Impress Shares. Beach will be entitled to compulsorily acquire any Impress Shares in respect of which it has not received an acceptance of its Offers on the same terms as the Offers if, during or at the end of the Offer Period Beach and its associates have a Relevant Interest in at least 90% (by number) of the Impress Shares.

If this threshold is met, Beach will have one month after the end of the Offer Period within which to give compulsory acquisition notices to Impress Shareholders who have not accepted the Offer. Impress Shareholders have statutory rights to challenge the compulsory acquisition, but a successful challenge will require the relevant Shareholder to establish to the satisfaction of a Court that the terms of the relevant Offer do not represent "fair value" for their Impress Shares. If compulsory acquisition occurs, Impress Shareholders who have their Impress Shares compulsorily acquired are likely to be issued their consideration approximately five to six weeks after the compulsory acquisition notices are dispatched to them.

At the date of this Target's Statement, Beach has a Relevant Interest in 47.61% of the Impress Shares.

It is also possible that Beach will, at some time after the end of the Offer Period, become the beneficial holder of 90% of the Impress Shares. Beach would then have rights to compulsorily acquire Shares not owned by it within six months of becoming the holder of 90%. Beach's price for compulsory acquisition under this procedure would have to be considered in a report of an independent expert.

6. Risks

6.1 Impress' business risks

Shareholders are exposed to a wide range of business risks through their existing holding of Impress Shares. A number of these risks are inherent in investing in shares generally and some stem from investing in an oil and gas exploration business like that of Impress.

Impress' management have identified the key risks currently facing Impress, which continue to be monitored and managed by Impress (the following is not intended to be an exhaustive list of the risk factors to which Impress is exposed):

6.2 Risks Specific to the Company

(a) Reliance on Key Personnel

The future success of Impress in part will depend on the ability of the Directors, management team and other executive personnel (employed by Impress or its business partners) to develop Impress's project portfolio and enhance project value. Should one or more of the key personnel cease to be involved, for whatever reason, then the capability of Impress may be expected to be impaired pending a suitable replacement being identified and retained by Impress or its business partners.

(b) Contractual Risk

Impress is reliant on the cooperation and compliance of counter parties to its agreements. In particular, Impress has entered into various joint venture agreements, and the ability of Impress to achieve its objectives will depend on the performance by each of the parties of their respective obligations under these agreements. If a party defaults in the performance of their obligations it may adversely affect Impress, its joint ventures, or its projects. In the event of dispute, there can be no guarantee that seeking enforcement of, or compensation under, such agreements will provide an efficient or satisfactory outcome.

(c) Additional Requirements for Capital

Impress's continued growth through expansion of its current business will require substantial additional expenditure. Impress's cash reserves will not be sufficient to achieve all the objectives of Impress's overall business strategy and it will be required to raise additional capital.

If Impress is unable to secure debt or equity to fund expansion after exhaustion of existing working capital and funds generated from operations, there can be no assurance that Impress will have sufficient capital resources to continue expansion, or for other purposes. It may also not be able to obtain additional resources or funding on terms acceptable to Impress or at all.

Any additional equity raising is likely to be dilutive to Impress's existing shareholders and any debt financing (if available), may involve restrictive covenants which limit Impress's operations and business strategy. Impress's failure to quickly raise capital if and when needed could delay or suspend

Impress's activities and could have a material adverse effect on Impress's activities.

(d) Weather Risks

Impress' current operations have been disrupted by long term flooding preventing access to the fields. This was compounded by unseasonal rainfall in the third quarter of 2010 and Impress is not expected to regain access to the fields until the first quarter of 2011. Adverse weather conditions over a prolonged period are likely to adversely affect exploration and development and the timing of revenues. In particular, Impress may be unable to develop its assets if it is adversely affected by weather but Impress will still be required to meet a number of costs while operations are delayed.

In addition, investors may lose interest in Impress while its operations are delayed having a material effect on the Share price of Impress.

(e) Insurance

Impress has a policy of obtaining appropriate insurance where appropriate, taking into consideration the availability of cover and premium costs and where required under its contractual commitments. There can be no assurance, however, that Impress will be able to obtain or maintain such insurance coverage at reasonable rates (or at all), or that any coverage it has or obtains will be adequate and available to cover any such claims. The long term flooding of the regions of Impress's projects/activities may also impact on Impress's insurance and insurance premiums.

6.3 Risks Specific to Oil and Gas Exploration and Development Companies

(a) Exploration Success

The future profitability of Impress and the value of its securities are directly related to the results of exploration. The projects held by Impress are at various stages of exploration and production, and potential investors should understand that exploration and development are high-risk undertakings.

There can be no assurance that exploration of Impress's projects, or any other projects that may be acquired in the future, will result in the discovery of a commercial oil or gas reserve. Even if an apparently viable discovery is identified, there is no guarantee that it can be economically exploited or will flow at commercial rates.

The exploration costs of Impress are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect Impress's viability.

(b) Operating Risks

If Impress achieves exploration success that leads to a decision to develop production operations, the development and ongoing production from such operations may be adversely affected by various factors, including failure to locate or identify oil reserves; failure to achieve predicted well production flow

rates; operational and technical difficulties encountered in production; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated reservoir problems which may affect field production performance; adverse weather conditions; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(c) Oil Reserves and Commercial Oil Flow

Oil reserves are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, oil reserves are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and commercial oil flow plans which may, in turn, adversely affect Impress's operations.

(d) Commodity Price Volatility, Exchange Rate and Government Risks

Changes in the general economic climate in which Impress operates may adversely affect the financial performance of Impress and the value of its assets. In particular, changes in the current and expected future price of crude oil and other commodities can change rapidly and significantly and this can have a substantial effect on the value of Impress's assets and the potential future revenue and profits that might be earned from any successful development of those assets.

If Impress achieves exploration success leading to commercial oil production, the revenue it will derive through the sale of crude oil exposes the potential income of Impress to crude oil price and exchange rate risks. Commodity prices fluctuate and are affected by many factors affecting their demand and supply beyond the control of Impress. Such factors include global industrial production levels and economic sentiment, inflation and interest rates, industrial disputes, wars and other military activity, technological advancements, forward selling activities, government environmental policies, infrastructure investment, weather conditions and general exploration success.

Furthermore, international prices of various commodities, are denominated in United States dollars, whereas the income and expenditure of Impress are and will be taken into account in Australian currency, exposing Impress to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

Changes in government, monetary policies, taxation and other laws and regulations can also have a significant influence on the outlook for projects and companies and the actual and potential returns to investors.

(e) Native Title and Community Risks

Many countries have native title, community title/empowerment, or heritage legislation and/or regulations. These rules impose certain requirements on Oil and Gas companies who undertake or plan to undertake various exploration, development or drilling activities. The risks associated with the rules are generally associated with the imposition of various uncertainties as to timetables and costs.

No assurance can be given that Impress will be able to explore or conduct drilling activities within acceptable timeframes or on terms acceptable to it.

(f) Environmental Risks

The operations and proposed activities of Impress are subject to Australian laws and regulation concerning the environment. As with most production operations, Impress's activities are expected to have an impact on the environment. It is Impress's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in Impress's activities such as accidental leakages or spills, or other unforeseen circumstances which could subject Impress to extensive liability.

(g) Conditions of Permits and Licences

Impress has entered into agreement with joint venture parties who hold lease rights and permits to explore and implement the projects. There is a risk that Impress does not have or might lose any or all of those permits or licenses required for the operation of the projects, or that Impress will not comply with the ongoing requirements imposed under those permits or licenses. There is also a risk that the permits and licenses required or the conditions imposed on Impress under them will change from time to time. Impress's ongoing compliance costs may increase as a result. Either of the above may adversely affect Impress's financial performance.

6.4 General Securities Risks

(a) Economic Risks

General economic conditions, movements in interest rates, inflation rates and currency exchange rates may have an adverse effect on Impress's exploration, development and production activities, as well as on its ability to fund those activities.

(b) Share Market Conditions

Share market conditions may affect the value of Impress's quoted securities regardless of Impress's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither Impress nor the Directors

warrant the future performance of Impress or any return on an investment in Impress.

6.5 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by Impress or by investors in Impress. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of Impress and the value of the Shares of Impress.

Shareholders should be cognisant of all the above risks when making their decision whether or not to accept the Offer. Accepting the Offer will mean that Shareholders will minimise their exposure to the above risks by receiving the proposed cash consideration whereas rejecting the Offer will see Shareholders remain exposed to all the above risks on an ongoing basis.

7. Information relating to the Directors

7.1 Directors

The names and details of the Company's Directors in office at the date of this Target's Statement are as follows.

Eddie Smith (69)

Non-Executive Chairman

Appointed 19 March 2003

Mr Smith was appointed as a Non-Executive Director on 19 March 2003 and subsequently Chairman on 19 October 2004. Due to illness during 2009, Mr Smith elected to step down from his position as Executive Chairman and has appointed Mr Greg Smith as his alternative.

Mr Smith is a Perth based experienced investor and corporate executive with extensive experience in managing and growing companies through significant equity participation and active strategic input.

His past directorships have included companies with activities in Australia, the Middle East, Europe, Malaysia and Indonesia.

John Gillon (59)

Non-Executive Director

B. Com, B.Juris., LL.B

Appointed 5 September 2000

Mr Gillon was appointed as a Non-Executive Director on 5 September 2000. Mr Gillon has extensive corporate and commercial experience and continues to practice as a solicitor in corporate, commercial and property development.

Mr Gillon holds degrees in Commerce, Jurisprudence and Law. He has been a Fellow of the Australia Society of Certified Practising Accountants and is admitted to practice as a Barrister and Solicitor in Western Australia.

Mr Gillon has been a Company Director for a number of Australian listed companies with operations ranging from mineral resources, oil and gas, industrial and computer industries.

Les Longden (44)

Executive Director Corporate

BE (Hons), Grad Dip App. Fin, FAICD, F Fin

Appointed 7 April 2008

Mr Longden was appointed as Executive Director Corporate on 1 September 2009. He has over 20 years experience in the commercial and technical aspects of the resources industry, primarily in oil and gas, both in Australia and overseas in Asia, the Middle East and Europe. He graduated from the University of Western Australia with a BE (Hons) in 1987 and has subsequently completed a Graduate Diploma in Applied Finance and is a Fellow of the Australian Institute of Company Directors and the Financial Services Institute of Australasia.

Mr Longden has extensive development experience from his participation in both technical and project management teams, through his involvement in the evaluation and execution of oil and gas developments from concept through to ongoing operation.

This experience has included a significant number of marginal onshore and offshore gas fields.

Greg Smith (59)

Acting Chief Executive Officer, Alternate Director

BSc (Hons 1)

Appointed 19 June 2009

Mr Smith is a petroleum geologist with over thirty five years of international and Australian experience in the petroleum exploration and development industry, including senior management positions with companies such as Santos Limited and Arc Energy Limited, where he gained experience in all the technical and commercial aspects of the petroleum business. Mr Smith has been providing commercial and technical advice to the Company since the end of 2005 through his consultancy company Tanglin Exploration Pty Ltd. In addition to undertaking the Chief Executive's responsibilities, Mr Smith has continued to provide technical support, particularly with respect to the interpretation of the 3D seismic survey in the Growler Field area and the selection of drilling targets for the subsequent drilling campaign in 2011.

Bernard Crawford (47)

Non-Executive Director

B.Com, CA, ICAEW, MBA

Appointed 1 September 2009

Mr Crawford is a Chartered Accountant with over 20 years experience in the resources industry where he has held various positions in finance and management with NYSE, TSX and ASX listed companies. He holds a Bachelor of Commerce degree from the University of Western Australia, a Master of Business Administration degree from London Business School and is a Member of the Institute of Chartered Accountants in Australia and a Member of the Institute of Chartered Accountants in England & Wales.

7.2 Interests of Directors

All Directors of Impress have accepted the Offer prior to the date of this Target's Statement.

The table below shows the number of Shares previously held for or on behalf of each Director and the number of Shares sold to Beach pursuant to the Offer:

Director	Indirect Interest in Impress Shares prior to accepting the Offer	Current interest in Impress Shares
Eddie Smith	164,623,423	0
John Gillon	40,809,057	0
Greg Smith	5,498,772	0
Les Longden	2,500,000	0
Bernard Crawford	600,000	0

7.3 Transactions in Impress and Beach securities

(a) Dealings in Impress Shares

At the date of this Target's Statement:

- (i) All the Directors have accepted the Offer and sold their Impress Shares to Beach; and
 - (ii) Eddie Smith has assigned and transferred his nine Convertible Notes to Beach.
- (b) Beach Securities
 - (i) As at the date of this Target's Statement one Impress Director, Mr Eddie Smith, had a Relevant Interest in 122,000 Beach Shares.
 - (ii) No Director has acquired or disposed of a Relevant Interest in any Beach Securities in the 4 month period on the date immediately before the date of this Target's Statement.

7.4 No benefits to Directors

No benefit (other than a benefit permitted under Sections 200E or 200F of the Corporations Act) is proposed to be given to a Director (or anyone else) in connection with the Director's retirement as a director or executive of Impress.

7.5 Other agreements or arrangements with Impress Directors

Excluding the agreements and arrangements contemplated in Sections 7.3(a) and 7.7, there are no other agreements or arrangements made between a Director and any other person in connection with or conditional upon the outcome of the Offer.

7.6 Interests of Impress Directors in contracts with Beach

Subject to sections 7.7 and 7.8, no Director has any interest in any contract entered into by Beach.

7.7 Composition of Board

Each of Eddie Smith and John Gillon have tendered his resignation as a director of Impress to be effected at Beach's sole discretion once Beach has obtained a Relevant Interest in at 30% of the Impress Shares.

No other Directors have handed in resignations but each intends to resign at the appropriate time.

Beach has indicated that it wants to replace some of the Impress Directors with nominees of Beach and retain an appropriate number of independent directors.

Given the percentage interest that Beach has acquired in Impress to date, Beach will be given the opportunity to appoint nominees to be elected Directors.

7.8 Option agreements

Prior to the announcement of the Offer, Beach entered into option agreements with Eddie Smith and John Gillon pursuant to which, Eddie Smith and John Gillon granted call options over their Impress Shares to Beach. At the date of this Target's Statement, Beach has exercised the call options.

8. Other material information

8.1 Taxation implications

The Australian tax implications of Beach's Offer for Impress Shareholders will depend on a number of factors, including:

- (a) whether the Shareholder holds their Impress Shares on capital or revenue account for taxation purposes and the nature of the Shareholder (i.e. whether the Shareholder is an individual, company, trust, or complying superannuation fund); and
- (b) the tax residency status of the Shareholder (i.e. Australian resident or not).

The Australian tax consequences of the Offer for Impress Shareholders who are residents of Australia for tax purposes are summarised in Section 9 of the Bidder's Statement, to which reference should be made for further information. The summary is necessarily general in nature and each Shareholder should seek independent advice relevant to their specific circumstances.

8.2 Material litigation

As at the date of this Target's Statement, Impress is not involved in any litigation and is not aware of any pending legal action to which it may be exposed.

8.3 Issued capital

As at the date of this Target's Statement, Impress' issued capital consisted of:

Number of Shares	886,586,353
Number of unlisted Convertible Notes	9

The unlisted Convertible Notes Impress has granted are:

- (a) 4 unlisted Convertible Notes at 10% per annum, \$50,000 per note and expiring on 9 September 2012 (transferred to Beach on 6 December 2010).
- (b) 5 unlisted Convertible Notes at 10% per annum, \$50,000 per note and expiring on 11 September 2012 (transferred to Beach on 6 December 2010).

8.4 Substantial Shareholders

At the date of this Target's Statement, the following shareholders are substantial shareholders of Impress:

Impress Shareholder	Impress Shares	% of Issued Capital
Beach Energy Limited	422,085,692	47.61
Senex Energy (formerly Victoria Petroleum)	177,317,269	20.00

8.5 Consents

The following persons have given and have not, before the date of issue of this Target's Statement withdrawn their consent to:

- (a) be named in this Target's Statement in the form and content in which they are named; and
- (b) the inclusion of other statements in this Target's Statement which are based on or referable to statements made in the reports or statements noted next to their names, or which are based on or referable to other statements made by those persons, in the form and context in which they appear:

Name of Person	Capacity	Reports or Statements
Eddie Smith, John Gillon, Bernard Crawford, and Les Longden.	Directors of Impress	Statements made by, or statements based on the statements made by, the Directors.
Hardy Bowen	Legal advisor to Impress	N/A

Each of the persons named above:

- (a) does not make, or purport to make, any statement in this Target's Statement other than those statements referred to above and as consented to by that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement other than as described in this Section with the person's consent.

8.6 No other material information

There is no other information that Shareholders or their professional advisers would reasonably require to make an informed assessment on whether to accept the Offer, being information which:

- (a) is reasonable for Shareholders and their professional advisers to expect to find in this Target's Statement; and
- (b) is known to any of Impress' Directors.

In deciding what information should be included in this Target's Statement, Impress' Directors have had regard to, amongst other things, the matters which Shareholders (or their professional advisers) may reasonably be expected to know, including information contained in documents previously sent to Shareholders and information available from public sources such as the ASX, ASIC or Impress' website at iel.com.au.

9. Authorisation

Dated: 13 December 2010

A handwritten signature in blue ink, appearing to read 'Eddie Smith', is written in a cursive style.

Eddie Smith, a director of Impress authorised to sign this Target's Statement pursuant to a resolution passed at a meeting of Directors of Impress held on 13 December 2010.

10. Glossary and Interpretation

10.1 Glossary

In this Target's Statement, unless a contrary intention appears, the following expressions have the following meanings:

associate has the meaning given in Division 2 of Part 1.2 of the Corporations Act as if Section 12(1) of that Act includes a reference to this document.

ASIC means Australian Securities and Investment Commission.

ASX means ASX Limited (ACN 008 624 691) trading as Australian Securities Exchange.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Limited ABN 98 008 504 532, the body which administers CHESS in Australia.

ASX Settlement Operating Rules means the settlement rules of ASX Settlement.

Beach means Beach Energy Limited ACN 007 617 969.

Bidder's Statement means the bidder's statement of Beach dated 6 December 2010 which was served on Impress on 6 December 2010.

Business Day means a day on which the banks are open for business in Perth, Western Australia, excluding a Saturday, Sunday or public holiday.

Board means Impress' board of Directors.

Business Day means a day on which all banks are open for business in Perth, Western Australia, excluding a Saturday, Sunday or public holiday.

CHESS means Clearing House Electronic Sub-register System operated by ASX.

Competing Proposal means any proposal or transaction, which, if completed, would mean a person (other than Beach or any associate of Beach) would:

- (a) acquire control of Impress, within the meaning of Section 50AA of the Corporations Act, or a material part of Impress' business; or
- (b) otherwise acquire or merge (including by a reverse takeover bid or dual listed Impress structure) with Impress.

Convertible Notes means convertible notes that can be converted into Shares on the terms in Section 8.3.

Corporations Act or **Act** means the Corporations Act 2001 (Cth).

Director means a director of Impress.

Impress or **Company** means Impress Energy Limited (ACN 009 212 319).

Impress Shares or **Shares** means fully paid ordinary shares in Impress.

Impress Share Register means the register of shareholders of Impress maintained by or on behalf of Impress in accordance with the Corporations Act.

Offer or **Beach's Offer** means the offer dated 6 December 2010 made by Beach to acquire all of the Shares on the terms set out in the Bidder's Statement.

Offer Period means the period commencing on 21 December 2010 and ending on 24 January 2011 (unless extended or withdrawn) during which the Offer will remain open for acceptance.

Relevant Interest has the meaning given to that term in the Corporations Act.

Section means a Section of this Target's Statement.

Shareholder or **Impress Shareholder** means a person registered as a member of Impress.

Superior Offer means a Competing Proposal which Impress determines to be more favourable to Shareholders than Beach's Offer, taking into account all terms and conditions of the Competing Proposal.

T + 3 means settlement occurs on the third Business Day after the date of the transaction in accordance with the normal practice of ASX.

Target's Statement means this target statement, being the statement of Impress under Part 6.5 Division 3 of the Corporations Act.

VWAP means volume weighed average price of shares trading on ASX.

10.2 Interpretation

In this Target's Statement:

- (a) headings are for convenience only and do not affect interpretation;

and unless the context indicates a contrary intention:

- (b) the expression "person" includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (c) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (d) a reference to any document (including this Target's Statement) is to that document as varied, novated, ratified or replaced from time to time;
- (e) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (f) words importing the singular include the plural (and vice versa), and words indicating a gender include every other gender;

- (g) references to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Target's Statement, and a reference to this Target's Statement includes any schedule, exhibit or annexure to this Target's Statement;
- (h) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (i) the word "includes" in any form is not a word of limitation;
- (j) a reference to "\$" or "dollar" is to Australian currency; and
- (k) if any day appointed or specified by this Target's Statement for the payment of any money or doing of any thing falls on a day which is not a Business Day, the day so appointed or specified shall be deemed to be the next Business Day.