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OFFICE OF INTERNATIONAL  
CORPORATE FINANCE

22 March 2006



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Miss A Kein  
Stop 3 - 4  
Office of International Corporate Finance  
Securities & Exchange Commission  
WASHINGTON DC 20549 USA

SUPPL

*Imperial One Limited*

Dear Anne,

**RE: ADR FACILITY**

Please find enclosed a copy of an announcement regarding natural gas exploration and development joint venture lodged with the Australian Stock Exchange Limited on 21 March 2006.

These announcements have been lodged with the Securities Commission with respect to the Company's obligation pursuant to Rule 12g3-2(b).

Yours faithfully

*D.L.H.*

D L Hughes  
Secretary

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**ASX**

AUSTRALIAN STOCK EXCHANGE

Australian Stock Exchange Limited  
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Exchange Centre  
Level 4, 20 Bridge Street  
Sydney NSW 2000

PO Box H224  
Australia Square  
NSW 1215

Telephone 61 2 9227 0334

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DX 10427 Stock Exchange Sydney

**FACSIMILE**

**Department: COMPANY ANNOUNCEMENTS OFFICE**

DATE: 21/03/2006

TIME: 15:22:43

TO: IMPERIAL ONE LIMITED

FAX NO: 02-9251-0244

FROM: AUSTRALIAN STOCK EXCHANGE LIMITED - Company Announcements Office

SUBJECT: CONFIRMATION OF RECEIPT AND RELEASE OF ANNOUNCEMENT

**MESSAGE:**

We confirm the receipt and release to the market of an announcement regarding:

Drilling Update

**If ASX considers an announcement to be sensitive, trading will be halted for 10 minutes.**

If your announcement is classified by ASX as sensitive, your company's securities will be placed into "pre-open" status on ASX's trading system. This means that trading in your company's securities is temporarily stopped, to allow the market time to assess the contents of your announcement. "Pre-open" is approx. 10 minutes for most announcements but can be 50 minutes (approx) for takeover announcements.

Once "pre-open" period is completed, full trading of the company's securities recommences.

**PLEASE NOTE:**

In accordance with Guidance Note 14 of ASX Listing Rules, it is mandatory to elodge announcements using ASX Online. Fax is available for emergency purposes and costs A\$38.50 (incl. GST). The only fax number to use is **1900 999 279**.



21 March 2006

The Company Announcement Office  
Australian Stock Exchange Limited  
10<sup>th</sup> Floor, 20 Bond Street  
SYDNEY, NSW 2000

Dear Sir

**Re: Natural Gas Exploration & Development Joint Venture  
Appalachian Basin, Pennsylvania, USA  
DRILLING UPDATE**

The Directors of Imperial One Limited, ("Imperial") are pleased to announce that its wholly owned US subsidiary, Imperial Resources LLC, has successfully completed its first natural gas well in the United States. The well is part of an initial 10 well, natural gas drilling program in an area known as the 'Carrolltown Prospect', in the south western region of Pennsylvania. Details are as follows:

**Well:** Crimaldi #2.  
**Location:** Carrolltown, Cambria County, Pennsylvania.  
**Status:** Reached target depth of 3,811 ft.  
Log data has confirmed presence of natural gas over the total depth analysed of 1,107 feet.  
The drilling program focused on the Upper Devonian series that contains numerous gas producing formations.  
The well will now be completed for production and a line is being laid for the production phase, expected to commence mid to late April 2006.

**Working Interest:** 75%.  
**Net Revenue interest:** 60.9375%.  
**Operator:** American Natural Resources LLC, Belle Vernon, Pennsylvania.

Although Imperial will contribute on a proportional cost basis for each drilling program, Imperial contributed 100% of the cost of the first well, being US\$250,000, to pay for its share of preliminary costs.

Carrolltown offers a low-cost, low risk opportunity to participate in a development drilling program, with sufficient acreage for the drilling of over 100 wells. Natural gas wells in this region are known to remain in production for in excess of 40 years. In addition, the close proximity to market consumption in the Northeast United States commands a higher price per mcf (thousand cubic feet) than in other parts of the United States.

Logging of the second well in the initial 10 well Carrolltown program is expected to be completed by the 22 March 2006.

### **American Natural Resources LLC**

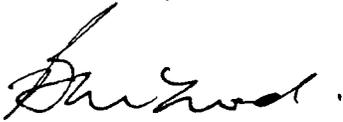
In late 2005, Imperial Resources entered into a joint venture agreement with American Natural Resources LLC, ("ANR") an American company and the operator of the development drilling program. The combined experience in the oil and gas industry of the two principals of ANR totals more than 60 years. This includes their involvement in the drilling of more than 1,000 wells in the Appalachian Basin. Each has worked in various phases of the industry. The experience and knowledge obtained over the years has created the background necessary to locate and develop successful oil and gas prospects.

ANR will invest 25% of the capital in the drilling program.

### **The Appalachian Basin**

Hydrocarbon production has existed for over 100 years in this region of Western Pennsylvania with thousands of wells having been drilled. Historically around one third of the natural gas wells drilled in the United States each year are in the Appalachian Basin (Pennsylvania, West Virginia, Ohio, New York). The reasons for this high rate of drilling activity lie in the characteristics of the Appalachian Basin gas wells.

Yours faithfully



Bruce McLeod  
Chairman