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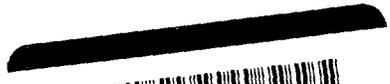
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OFFICE OF INTERNATIONAL CORPORATE FINANCE

19 July 2006



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

*Imperial One Intl Ltd*

Dear Anne,

RE: ADR FACILITY

Please find enclosed a copy of the following announcement which was lodged with the Australian Stock Exchange Limited.

- Natural Gas Development Update - Carrolltown Project lodged on 18 July 2006

This announcement has 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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*DLH*  
7/31



**ASX**  
AUSTRALIAN STOCK EXCHANGE

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OFFICE OF INTERNATIONAL  
CORPORATE FINANCE

Australian Stock Exchange Limited  
ABN 98 008 624 691  
Exchange Centre  
Level 4, 20 Bridge Street  
Sydney, NSW 2000

PO Box H224  
Australia Square  
NSW 1215

Telephone 61 2 9227 0334

Internet <http://www.asx.com.au>  
DX 10427 Stock Exchange Sydney

**FACSIMILE**

**Department: COMPANY ANNOUNCEMENTS OFFICE**

**DATE:** 18/07/2006

**TIME:** 15:21:29

**TO:** IMPERIAL CORPORATION 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:

Natural Gas Production Carrolltown Project

**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.



# IMPERIAL

18 July 2006

The Company Announcement Office  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY, NSW 2000

Dear Sir

## **Re: NATURAL GAS PRODUCTION CARROLLTOWN PROJECT**

### **Carrolltown Project**

The Directors of Imperial One Limited are pleased to announce that the Company, through its joint venture with American Natural Resources LLC, has commenced operations as a natural gas producer in North America. Natural gas from the first 4 wells of its recent 10 well development program is being sold to Dominion Field Services Inc. at prevailing Appalachian market prices.

Over the startup period the first 4 wells have been have been choked off to produce in total between 500 to 600 mcf per day. Ongoing production flow data will become available once the wells have been in-line for at least a 3 month period. Pre-production testing has shown all 10 wells to be commercially viable, with all wells being bought into production over the next few weeks.

The wells were part of an initial 10 well, natural gas drilling program in an area known as the 'Carrolltown Prospect', south western Pennsylvania. Carrolltown offers a low-cost, low risk opportunity to participate in a development drilling program, with sufficient acreage for the drilling of over 50 development wells. The joint venture is expected to commence drilling on the next 5 well program in the short term, subject to drilling rig availability.

### **Joint Venture**

Subject to financing arrangements, the joint venture now has in excess of 150 development natural gas drilling locations in the Appalachian Basin. Details of the joint venture are:

|                                |  |
|--------------------------------|--|
| Imperial Working Interest:     | 75.0%.   |
| Imperial Net Revenue interest: | 60.9375%.  |
| Operator:                      | American Natural Resources LLC, Belle Vernon,<br>Pennsylvania. |

Imperial will contribute on a proportional cost basis for the well, total cost being US\$250,000, to drill, complete and connect to the distribution network.

**American Natural Resources LLC ("ANR")**

In 2005, Imperial Resources entered into a joint venture agreement with 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 Appalachian Basin 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. Success rate for a natural gas producing well is, on average, greater than 95% with many wells in this region remaining 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.

Yours faithfully



Bruce McLeod  
Chairman