



28 November 2002

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

CHAIRMAN'S ADDRESS

With reference to the above, please find attached a copy of the Chairman's Address to shareholders delivered at today's Annual General Meeting of Members of the Company.

Yours faithfully

D L Hughes
Secretary

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**IMPERIAL ONE LIMITED
CHAIRMAN'S ADDRESS TO THE ANNUAL GENERAL MEETING
THURSDAY 28 NOVEMBER 2002 AT 11.00AM**

The past twelve months has seen a significant development in the Company's major asset, its interest in the Pooncarie Mineral Sands Project. This together with a rationalisation of the Company's other operating activities should ensure an exciting future for the Company.

The Company's interest in the Pooncarie Mineral Sands Project is held through BeMaX Resources NL ("BeMaX") in which the Company holds a 19.6% equity interest.

The Pooncarie Project comprising the Ginkgo and Snapper deposits has during the period under review made significant progress towards becoming the first major mineral sands project to be developed in the Northern Murray Basin.

The milestones achieved in advancing the Project to final development stage includes:

- Completion of a \$6 million Bankable Feasibility Study ("BFS") which confirmed the economic viability of a development based solely on the Ginkgo deposit and associated Broken Hill Mineral Separation Plant ("MSP").
- All approvals received for Ginkgo and the MSP.
- Optimisation studies and value engineering show that higher product recoveries than those indicated in the BFS can be achieved through innovative plant design and improved technology in the MSP.
- Offtake Agreements for the bulk of Ginkgo's future production completed with a major global feedstock consumer completed. Offtake Agreements for the remainder of the production are being negotiated.
- Preliminary studies undertaken on the Snapper deposit indicate that the development of this deposit concurrently with Ginkgo would significantly enhance the value of the Pooncarie Project and extend the life to over 25 years.
- With additional resources delineated by regional exploration BeMaX now has a significant presence in the Murray Basin region controlling a global resource of over 42 million tonnes of heavy mineral within approximately 9,000 km² of Joint Venture and wholly owned tenements.

Only project financing and formal development go-ahead are now required to be finalised to complete the transition of BeMaX from explorer to an active participant in the global mineral sands industry. This will add significant value to the Company's shareholding in BeMaX.

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In October 2002 an agreement was reached with Sons of Gwalia which provided for BeMaX to move to 100% equity interest in the Pooncarie Project by acquiring Sons of Gwalia's 25% JV interest for a total consideration (cash and shares) of \$14 million. Sons of Gwalia in turn has a counter option to acquire a 25% JV interest from BeMaX for \$25 million.

On 15 November 2002 Sons of Gwalia announced that they would not be exercising their option and that they would proceed with the sale of their 25% equity interest to BeMaX, enabling BeMaX to achieve 100% ownership of the Project. Subject to BeMaX exercising the option by paying the initial payment of \$10m by 2 December 2002, the Project financiers can then proceed with a stable ownership structure with a view to having project financing fully committed before the end of the first quarter 2003, thus removing the last major hurdle to development proceeding.

With the focus of the Company's resources focused on enhancing the value of its mineral sands project investment, Directors have sought to reduce the Company's exposure to other operating activities.

The Company's internet investments are self funding with the Company maintaining its 13% interest in Catcha.com, South East Asia's leading network of local portals, entertainment and publishing companies focusing on the Gen-X market.

Message Technologies in which the Company holds a 49.87% equity interest has moved its sales and marketing operations to New York, while maintaining technology related operations within Australia. The move overseas was deemed necessary due to the level of interest in the product within the USA. Message Technologies is expected to be profitable by the end of the first Quarter 2003.

In addition the Company has withdrawn from the Industrial Minerals Marketing business following losses resulting from the renegotiation of the terms of the Company's Licence Agreement with the materials supplier.

In summary, the last twelve months has laid the foundations for a significant enhancement in value of the Company's assets, especially as the Pooncarie Mineral Sands Project continues towards being developed as the Country's next major Mineral Sands Project. The Directors believe that this development will result in a market re-rating of BeMaX, thereby significantly increasing the value of the Company's equity investment providing a significant benefit to all shareholders.

Yours sincerely



Bruce McLeod
Chairman