

8 April 2015

March Drilling Report

- **Oil Business**
 - Four Bauer development wells cased and suspended as future producers
- **Wet Gas Business**
 - Two new discoveries – Spinel-1 and Kyanite-1 – in the joint venture with Santos
 - Five discoveries from six wells drilled by the JV in FY2015

Oil Business

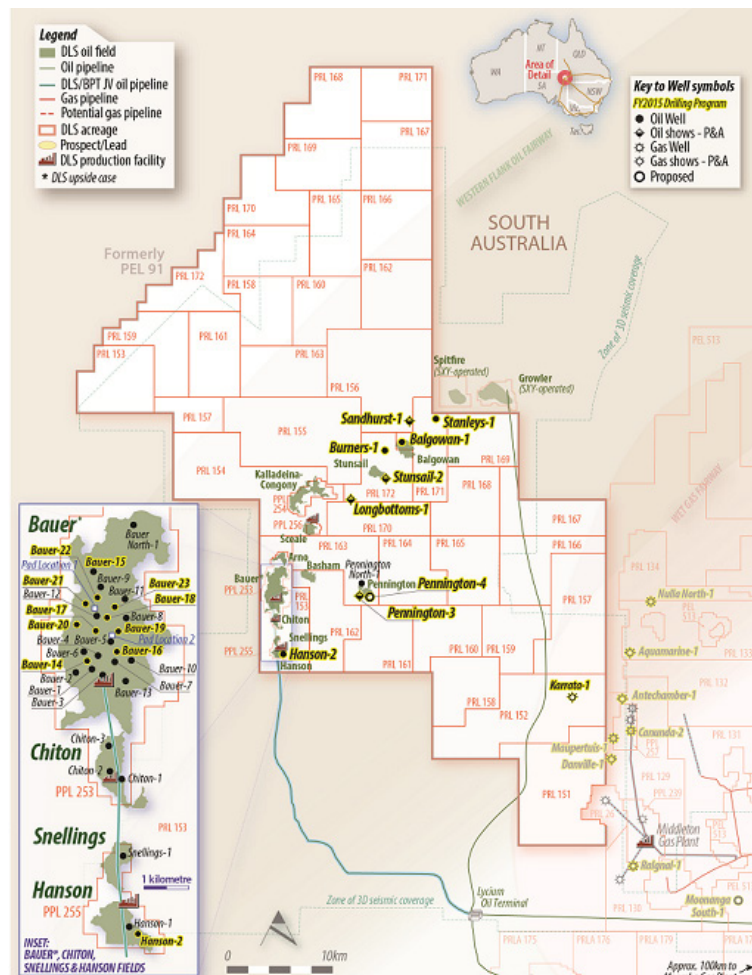
Western Flank Oil Fairway

Development and exploration drilling continued during March on the Western Flank Oil Fairway (formerly PEL 91, Drillsearch 60%, Beach 40% and Operator).

Following success at Stanleys-1 early in the month¹, the next exploration well, Longbottoms-1, was plugged and abandoned after encountering one metre of net pay in the Namur Sandstone, a result that was deemed to be sub-commercial.

After drilling a well in a neighbouring permit, the rig used at Longbottoms-1 will return to drill the Pennington-4 appraisal well during the June quarter.

During March, the Bauer-20 to -23 development wells were drilled from a single pad location. Pad drilling removed the need for rig demobilisation allowing all four wells to be drilled, cased and suspended within 36 days. All four wells will be completed and connected as future Namur/McKinlay production wells.



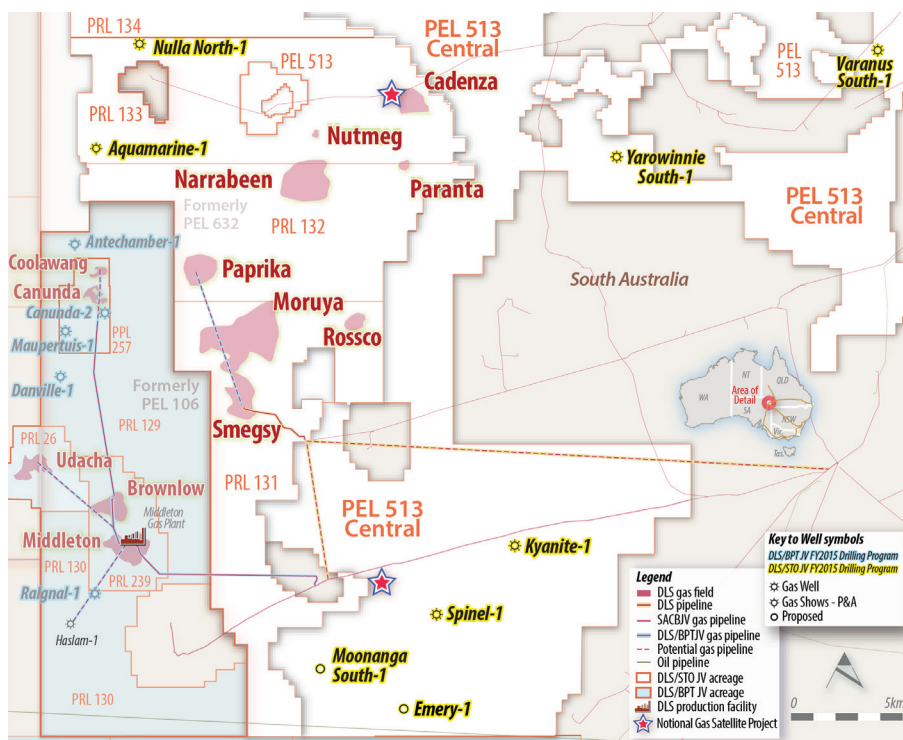
¹ See February Drilling Report released to the ASX on 10 March 2015.

Wet Gas Business

Western Wet Gas Fairway

In the Wet Gas joint venture with Santos (Drillsearch 40%, Santos 60% and Operator), two new discoveries were made in March and early April, taking the joint venture's success rate to five discoveries from six wells in FY2015.

The fifth well in the current eight-well campaign², Kyanite-1, was drilled to a total depth of 3,354 metres with excellent gas shows observed and stacked reservoirs identified. The well, the fourth discovery of the current campaign, was cased and suspended as a future gas producer. For further information about Kyanite-1 please see the ASX Announcement released on 16 March 2015.



On completion of operations at Kyanite-1 the rig moved to the sixth well in the campaign, Spinel-1, which spudded on 22 March 2015 and was drilled to a total depth of 3,282 metres in early April. Spinel-1 is a near-field exploration well located approximately 11.7 kilometres northeast of the Raven gas field, and 5.3 kilometres east of the Moonanga gas field. Drillsearch's preliminary assessment of the drilling results has identified approximately 11.3 metres of net pay across several zones in the Patchawarra Formation, with a gross interval of 510 metres and approximately 2.5 metres of net pay in the Tirrawarra Sandstone with a gross interval of 58 metres. In addition to the conventional pay, several zones with potential for unconventional pay were also observed. The well will be cased and suspended as a future gas producer.



Drilling at Spinel-1 in PEL 513

² Drillsearch free carried in FY2015.

Monthly Drilling Summary

As at 7 April 2015

Well	Participants	Progress & Summary	Primary Target	Secondary Targets
Oil Wells				
Stanleys - 1**	DLS 60%	Spud Date: Wednesday, 25 February 2015	Namur Sandstone	McKinlay Member Mid-Namur Sandstone Birkhead Formation Poolowanna Formation
PRL 171 (PEL 91)	BPT* 40%	Rig Release: Wednesday, 11 March 2015		
Oil Business		Depth: 2,064 m (TD)		
Western Flank Oil		Operation: Cased & Suspended		
C/E Basin, SA		Progress: 2,064 m (TD)		
Bauer - 23	DLS 60%	Spud Date: Tuesday, 3 March 2015	McKinlay Member	
PPL 253 (PEL 91)	BPT* 40%	Rig Release: Wednesday, 11 March 2015	Namur Sandstone	
Oil Business		Depth: 1,567 m (TD)		
Western Flank Oil		Operation: Cased & Suspended		
C/E Basin, SA		Progress: 1,567 m (TD)		
Bauer - 20	DLS 60%	Re-Entry: Friday, 13 March 2015	McKinlay Member	
PPL 253 (PEL 91)	BPT* 40%	Rig Release: Tuesday, 17 March 2015	Namur Sandstone	
Oil Business		Depth: 1,533 m (TD)		
Western Flank Oil		Operation: Cased & Suspended		
C/E Basin, SA		Progress: 1,533 m (TD)		
Longbottoms - 1	DLS 60%	Spud Date: Sunday, 15 March 2015	McKinlay Member	
PRL 172 (PEL 91)	BPT* 40%	Rig Release: Thursday, 26 March 2015	Namur Sandstone	
Oil Business		Depth: 2,009 m (TD)		
Western Flank Oil		Operation: Plugged & Abandoned		
C/E Basin, SA		Progress: 2,009 m (TD)		
Bauer - 21	DLS 60%	Re-Entry: Wednesday, 18 March 2015	McKinlay Member	
PPL 253 (PEL 91)	BPT* 40%	Rig Release: Saturday, 21 March 2015	Namur Sandstone	
Oil Business		Depth: 1,461 m (TD)		
Western Flank Oil		Operation: Cased & Suspended		
C/E Basin, SA		Progress: 1,461 m (TD)		
Bauer - 22	DLS 60%	Re-Entry: Monday, 23 March 2015	McKinlay Member	
PPL 253 (PEL 91)	BPT* 40%	Rig Release: Thursday, 26 March 2015	Namur Sandstone	
Oil Business		Depth: 1,525 m (TD)		
Western Flank Oil		Operation: Cased & Suspended		
C/E Basin, SA		Progress: 1,525 m (TD)		
Wet Gas Wells				
Kyanite - 1***	DLS 40%	Spud Date: Monday, 23 February 2015	Patchawarra Formation (gas/condensate)	Tirrawarra Sandstone (gas/condensate)
PEL 513	STO* 60%	Rig Release: Wednesday, 18 March 2015		
Wet Gas Business		Depth: 3,354 m (TD)		
Western Wet Gas		Operation: Cased & Suspended		
C/E Basin, SA		Progress: 3,354 m (TD)		
Spinel - 1	DLS 40%	Spud Date: Sunday, 22 March 2015	Patchawarra Formation (gas/condensate)	Tirrawarra Sandstone (gas/condensate)
PEL 513	STO* 60%	Rig Release: Sunday, 12 April 2015 (Targeted)		
Wet Gas Business		Depth: 3,282 m (TD)		
Western Wet Gas		Operation: Prepping for Case & Suspend		
C/E Basin, SA		Progress: 3,282 m (TD)		

* Indicates operator

** For further information on Stanleys-1 please refer to the February Drilling Report released on 10 March 2015

*** For further information on Kyanite-1 please refer to the ASX Announcement released on 16 March 2015

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