

12 June 2014

The Board of Directors
Ambassador Oil and Gas Limited
Suite 11, Level 1
23 Oxford Street
Oakleigh VIC 3166

AND TO:
BY ELECTRONIC LODGEMENT
Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Drillsearch Energy Limited (ASX: DLS) – Form 604 Notice of change of interests of substantial holder in relation to Ambassador Oil and Gas Limited (ASX: AQO)

On behalf of Drillsearch Energy Limited ACN 006 474 844 and its controlled bodies corporate, I **enclose** a copy of the Form 604 Notice of change of interests of substantial holder in relation to Ambassador Oil and Gas Limited ACN 152 595 429.

Yours faithfully



Jean Moore
Company Secretary
Drillsearch Energy Limited

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Ambassador Oil and Gas Ltd (**Ambassador**)

ACN/ARSN 152 595 429

This notice is given by Drillsearch Energy Pty Ltd ACN 006 474 844 on behalf of itself and each of its controlled bodies corporate listed in "**Annexure A**" (**Drillsearch Subsidiaries**).

1. Details of substantial holder (1)

Name Drillsearch Energy Limited (**Drillsearch**)
ACN/ARSN (if applicable) 006 474 844

There was a change in the interests of the substantial holder on

11/06/2014

The previous notice was given to the company on

28/05/2014

The previous notice was dated

28/05/2014

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

| Class of securities (4) | Previous notice | | Present notice | |
|-------------------------|-----------------|---|----------------|---|
| | Person's votes | Voting power (5) | Person's votes | Voting power (5) |
| Ordinary shares | 28,259,238 | 19.9% (based on 142,058,491 ordinary shares on issue) | 28,259,238 | 19.9% (based on 142,058,491 ordinary shares on issue) |

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of change | Person whose relevant interest changed | Nature of change (6) | Consideration given in relation to change (7) | Class and number of securities affected | Person's votes affected |
|----------------|--|---|---|---|-------------------------|
| 11/06/14 | Drillsearch and each of the Drillsearch Subsidiaries | Drillsearch (Central) Pty Limited is the beneficial owner or registered holder of ordinary shares in Ambassador after completion under the Share Purchase Deeds, copies of which were attached as Annexure C to the Form 603 lodged by Drillsearch on 28/05/14. | Completion under the Share Purchase Deeds by the issue of 1 ordinary share in Drillsearch for every 5.4 ordinary shares in Ambassador | 28,259,238 ordinary shares | 28,259,238 |

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

| Holder of relevant interest | Registered holder of securities | Person entitled to be registered as holder (8) | Nature of relevant interest (6) | Class and number of securities | Person's votes |
|--|---|--|---|--------------------------------|----------------|
| Drillsearch and each of the Drillsearch Subsidiaries | Drillsearch (Central) Pty Limited and various Ambassador shareholders listed in Annexure B to the Form 603 lodged by Drillsearch on 28/05/14. | Drillsearch (Central) Pty Limited | Registered holder of Ambassador shares or taken to have a relevant interest under sections 608(1) and 608(8) of the Corporations Act by reason of Drillsearch having entered into the Share Purchase Deeds. | 28,259,238 ordinary shares | 28,259,238 |

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|-----------------------|
| N/A | N/A |

6. Addresses

The addresses of persons named in this form are as follows:

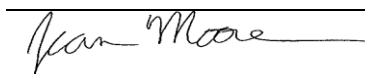
| Name | Address |
|-----------------------------|---|
| Drillsearch | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Each Drillsearch Subsidiary | See "Annexure A". |

Signature

print name Jean Moore

capacity Company Secretary

sign here



date 12/06/2014

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

**ANNEXURE A
DRILLSEARCH SUBSIDIARIES**

THIS IS ANNEXURE A OF ONE PAGE REFERRED TO IN THE FORM 604 NOTICE OF CHANGE OF INTERESTS OF SUBSTANTIAL HOLDER SIGNED BY ME



Jean Moore
Company Secretary
12/06/2014

| Name | ABN / ACN / Company Number | Address |
|--|----------------------------|---|
| Acer Energy Pty Limited | ABN 11 101 313 777 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Circumpacific Energy (Australia) Pty Limited | ABN 77 142 287 125 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Clean Gas Pty Limited | ACN 128 471 358 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (299) Pty Limited | ACN 165 620 888 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (513) Pty Limited | ACN 159 824 218 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (539) Pty Limited | ABN 27 152 919 803 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (549) Pty Limited | ABN 89 152 920 422 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (657) Pty Limited | ABN 44 162 600 599 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (783) Pty Limited | ABN 92 163 750 141 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (920) Pty Limited | ABN 50 152 919 965 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (924) Pty Limited | ABN 83 152 922 079 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (Central) Pty Limited | ABN 41 160 522 056 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch (Field Ops) Pty Limited | ABN 46 155 164 819 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch Energy (Canada) Incorporated | C0834875 | 2800 Park Place, 666 Burrard Street, Vancouver BC V6C 2Z7 Canada |
| Drillsearch Energy (PNG) Limited | Company Number C1-38391 | C/- Gadens Lawyers, Level 12 Pacific Place, Cnr Musgrave Street and Champion Parade, Port Moresby, Papua New Guinea |
| Drillsearch (Finance) Pty Limited | ABN 75 163 170 536 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch Gas Pty Limited | ABN 17 059 583 032 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Drillsearch SWQ Gas Pty Limited | ABN 74 152 922 417 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Great Artesian Oil and Gas Pty Limited | ABN 44 078 607 682 | Level 16, 55 Clarence Street, Sydney NSW 2000 |
| Kun Yick International Limited | Company Number 530336 | 5/F., Far East Consortiu, Building, 121 Des Voeux Road Central, Hong Kong |