

11 August 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

On behalf of Drillsearch Energy Limited ABN 73 006 474 844 (**Drillsearch**), I enclose a copy of Form 604 Notice of change of interests of substantial holder in relation to Ambassador Oil and Gas Limited (**Ambassador**).

Yours faithfully



Jean Moore
Company Secretary

About Drillsearch Energy Limited (ASX: DLS), which listed on ASX in 1987, explores and develops conventional and unconventional oil and gas projects. Drillsearch has a strategic spread of petroleum exploration and production acreage in Australia's most prolific onshore oil and gas province, the Cooper-Eromanga Basins in South Australia and Queensland. The company's focus is on 'brownfields' exploration where geological risk is reduced and there is access to existing infrastructure, ensuring that any discoveries can be brought into production.



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 Limited ACN 006 474 844 (**Drillsearch**) on behalf of itself, Drillsearch (Central) Pty Limited ACN 160 522 056 and each of Drillsearch's controlled bodies corporate named in the list of one page annexed to this notice and marked "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

08/08/2014

The previous notice was given to the company on

08/08/2014

The previous notice was dated

08/08/2014

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	37,511,871	26.41% (based on 142,058,491 ordinary shares on issue)	30,246,871	21.29% (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
08/08/2014	Drillsearch (Central) Pty Limited	The reversal of a number of Share Purchase Deeds (as defined in the Panel Orders) in respect of 7,135,000 fully paid ordinary shares in Ambassador, pursuant to the Panel Orders.	n/a	7,135,000 ordinary shares	7,135,000
08/08/2014	Drillsearch Energy Limited	Taken under section 608(3)(b) of the Corporations Act to have a relevant interest by reason of having control of Drillsearch (Central) Pty Limited.	n/a	7,135,000 ordinary shares	7,135,000
08/08/2014	Each of the Drillsearch Subsidiaries	Taken under section 608(3) of the Corporations Act to have a relevant interest by reason of having voting power (through the relevant interests of its associate, Drillsearch) above 20% in Drillsearch (Central) Pty Limited.	n/a	7,135,000 ordinary shares	7,135,000

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 (Central) Pty Limited	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)(b) and 608(1)(c) of the Corporations Act by reason of completion occurring under the Share Purchase Deeds, copies of which were attached as Annexure C to the Form 603 lodged by Drillsearch on 28/05/14.	14,654,000 ordinary shares	14,654,000
Drillsearch	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	Taken to have a relevant interest under section 608(3)(b) of the Corporations Act by reason of having control of Drillsearch (Central) Pty Limited.	14,654,000 ordinary shares	14,654,000
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	Taken under section 608(3) of the Corporations Act to have a relevant interest by reason of having voting power (through the relevant interests of its associate, Drillsearch) above 20% in Drillsearch (Central) Pty Limited.	14,654,000 ordinary shares	14,654,000
Drillsearch (Central) Pty Limited	Drillsearch (Central) Pty Limited	Drillsearch (Central) Pty Limited	Taken under section 608(1)(a) of the Corporations Act to have a relevant interest by reason of being the holder of the ordinary shares.	12,591,714 ordinary shares	12,591,714
Drillsearch	Drillsearch (Central) Pty Limited	Drillsearch (Central) Pty Limited	Taken to have a relevant interest under section 608(3)(b) of the Corporations Act by reason of having control of Drillsearch (Central) Pty Limited.	12,591,714 ordinary shares	12,591,714
Each of the Drillsearch Subsidiaries	Drillsearch (Central) Pty Limited	Drillsearch (Central) Pty Limited	Taken under section 608(3) of the Corporations Act to have a relevant interest by reason of having voting power (through the relevant interests of its associate, Drillsearch) above 20% in Drillsearch (Central) Pty Limited.	12,591,714 ordinary shares	12,591,714
Drillsearch (Central) Pty Limited	Various offerees who have accepted the Offer, including those referred to in section 3 of this notice.	Drillsearch (Central) Pty Limited	Taken under section 608(1)(c) of the Corporations Act to have a relevant interest in the ordinary shares pursuant to acceptances of the Offer.	3,131,157 ordinary shares	3,131,157
Drillsearch	Various offerees who have accepted the Offer, including those referred to in section 3 of this notice.	Drillsearch (Central) Pty Limited	Taken to have a relevant interest under section 608(3)(b) of the Corporations Act by reason of having control of Drillsearch (Central) Pty Limited.	3,131,157 ordinary shares	3,131,157

Each of the Drillsearch Subsidiaries	Various offerees who have accepted the Offer, including those referred to in section 3 of this notice.	Drillsearch (Central) Pty Limited	Taken under section 608(3) of the Corporations Act to have a relevant interest by reason of having voting power (through the relevant interests of its associate, Drillsearch) above 20% in Drillsearch (Central) Pty Limited.	3,131,157 ordinary shares	3,131,157
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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
Drillsearch (Central) Pty Limited	Level 16, 55 Clarence Street, Sydney NSW 2000
Drillsearch Subsidiaries	As set out in the list of one page annexed to this notice and marked "A".

Signature

print name Jean Moore

capacity Company secretary

sign here

date 11 August 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

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
11 August 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 (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