

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

Notice of Variation extending the Offer Period to 7:00pm (Sydney time), 28 July 2014

On behalf of Drillsearch (Central) Pty Limited ABN 41 160 522 056 (**Drillsearch Bidco**), a wholly owned subsidiary of Drillsearch Energy Limited ABN 73 006 474 844, I **enclose** a notice of variation under section 650D(1) of the *Corporations Act 2001* (Cth) extending the Offer Period in relation to the off-market takeover offer by Drillsearch Bidco for all of the ordinary shares in Ambassador Oil and Gas Limited ABN 28 152 595 429 it does not own.

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.

Drillsearch

Corporations Act 2001 (Cth)

Section 650D(1)

NOTICE OF VARIATION

EXTENSION OF OFFER PERIOD IN RELATION TO TAKEOVER BID FOR AMBASSADOR OIL AND GAS LIMITED

TO: Australian Securities and Investments Commission
Level 5
100 Market Street
Sydney NSW 2000

Ambassador Oil and Gas Limited
Level 1, 23 Oxford St
Oakleigh VIC 3166

Each holder of Ambassador Shares to whom the Offer referred to below has been made.

This is a notice given by Drillsearch (Central) Pty Limited ACN 41 160 522 056 ("**Drillsearch Bidco**") in relation to the offers dated 12 June 2014 made under the off-market takeover bid by Drillsearch Bidco a wholly-owned subsidiary of Drillsearch Energy Limited ABN 73 006 474 844 for all of the ordinary shares in Ambassador Oil and Gas Limited ABN 28 152 595 429 ("**Ambassador**") that it does not already own ("**Offer**") pursuant to the bidder's statement dated 12 June 2014 ("**Bidder's Statement**"), as supplemented by the supplementary bidder's statement dated 16 June 2014, the notice of variation dated 9 July 2014 and as may be further amended or supplemented from time to time.

In accordance with section 650D(1) of the *Corporations Act 2001* (Cth), Drillsearch Bidco gives notice that the Offer is varied by extending the period during which the Offer remains open for acceptance, from 7:00pm (Sydney time) 21 July 2014 to 7:00pm (Sydney time) 28 July 2014 (unless further extended).

A copy of this notice was lodged with the Australian Securities and Investments Commission ("**ASIC**") on 16 July 2014. Neither ASIC nor any of its officers takes any responsibility for the contents of this notice.

DATED 16 July 2014

SIGNED for and on behalf of Drillsearch (Central) Pty Limited ABN 41 160 522 056 by David Evans and Peter Fox being two directors of Drillsearch (Central) Pty Limited who are authorised to sign this notice by a resolution passed by the directors of Drillsearch (Central) Pty Limited.



David Evans
Director

Peter Fox
Director