

ASX Announcement
13 August 2014

New Western Flank Oil Discovery at Balgowan-1

Drillsearch Energy Limited (ASX: DLS) is pleased to announce a new oil discovery at the Balgowan-1 exploration well in PEL 91 on the Western Flank Oil Fairway of the Cooper Basin.

Wireline logs carried out at Balgowan-1 have confirmed a 9-metre gross oil column in the McKinlay-Namur and as a result, the well has been cased and suspended as a future oil producer, the 14th discovery in PEL 91. Analysis of the well results is continuing and Drillsearch will provide an update on the size of the discovery in due course.

Balgowan-1 is located 3.6 kilometres northeast of the Stunsail-1 oil discovery. Following casing and suspension of Balgowan-1, the rig will now move to drill Burners-1, which is located midway between Balgowan-1 and Stunsail-1.

Drillsearch Managing Director Brad Lingo said:

“The Balgowan-1 discovery represents an excellent start to the FY2015 drilling campaign on the Western Flank, building on the success we had in the last financial year. In particular, both Balgowan-1 and Stunsail-1 illustrate the prospectivity of the previously under-explored area northeast of the prolific Bauer oil field.”

Drillsearch owns 60% of PEL 91, with Beach Energy, the Operator of the permit, owning the remaining 40%. The map on the following page shows the locations of Balgowan-1 and Burners-1.

--Ends--

For further information please contact:

Brad Lingo
Managing Director
P: +61 2 9249 9600
E: admin@drillsearch.com.au

Dudley White
GM – Corporate Communications
P: +61 2 9249 9669
E: Dudley.white@drillsearch.com.au

About Drillsearch:

Drillsearch Energy Limited (ASX: DLS) is one of the leading mid-tier oil and gas companies listed on the ASX. The company has undergone rapid growth over the past five years to become Australia's third-largest onshore oil producer, and one of the largest acreage holders in the prolific Cooper Basin. Drillsearch has assets that span the exploration, development and production continuum within Oil, Wet Gas and Unconventional. Its operations are highly profitable, and its work programs are fully funded from internal cash flow through FY2016. Drillsearch has successfully formed a number of key strategic alliances with leading players in the Australian and international exploration and production industry, including QGC, Santos Limited and Beach Energy Limited.

Map of PEL 91 including Balgowan-1 and Burners-1:

