

Notice of change in interests of substantial holder

To: Company Name/Scheme: **DRILLSEARCH ENERGY LIMITED (DLS)**

ABN **006 474 844**

1. Details of substantial holders ⁽¹⁾

Name		ACN / ABN
SCARBOROUGH EQUITIES LIMITED	(SCB)	ABN 58 061 287 045
RIPL INVESTMENTS PTY LIMITED	(RIPL)	ABN 58 096 139 374
HTH TRADING PTY LIMITED	(HTH)	ABN 60 105 905 904
ORION EQUITIES LIMITED	(OEQ)	ABN 77 000 742 843
QUESTE COMMUNICATIONS LTD	(QUE)	ABN 58 081 688 164

There was a change in the interests of the substantial holders on: 4 September 2006
 The previous notice was given to the company on: 30 August 2005
 The previous notice was dated: 30 August 2005

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	20,788,016	6.27% ^(A)	61,139,295	15.16% ^(B)

(A) Based on DLS total issued share capital being 331,555,975 shares

(B) Based on DLS total issued share capital being 403,393,696 shares

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	Person's votes affected
				Ordinary Shares	
12-Apr-06	The parties named in (1) above	Share placement investment into DLS by HTH	278,945	3,099,393	3,099,393
26-Jun-06	The parties named in (1) above	On-market disposal by HTH	52,298.40	(337,409)	(337,409)
27-Jun-06	The parties named in (1) above	On-market disposal by HTH	4794.93	(30,935)	(30,935)
28-Jun-06	The parties named in (1) above	On-market disposal by HTH	785.08	(5,065)	(5,065)
29-Jun-06	The parties named in (1) above	On-market disposal by HTH	15,000.00	(100,000)	(100,000)
30-Jun-06	The parties named in (1) above	On-market disposal by HTH	17,100.00	(114,000)	(114,000)

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 ⁽⁷⁾	Class and number of securities and Person's votes
				Ordinary Shares
The parties named in (1) above	HTH	HTH	Legal, beneficial and registered holder of shares	23,300,000
	HTH	HTH	RIPL is taken under section 608(3)(b) of the Corporations Act to have a relevant interest in securities in which HTH has a relevant interest	
	HTH	HTH	SCB is taken under section 608(3)(b) of the Corporations Act to have a relevant interest in securities in which RIPL has a relevant interest	
	HTH	HTH	OEQ is taken under section 608(3)(a) of the Corporations Act to have a relevant interest in securities in which SCB has a relevant interest	
	HTH	HTH	QUE is taken under section 608(3)(b) of the Corporations Act to have a relevant interest in securities in which OEQ has a relevant interest	

5. Changes in association

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

Name	ACN/ARSN (if applicable)	Class and number of securities and Person's votes	Nature of association
		Ordinary Shares	
HTH	105 905 904	23,300,000	Pursuant to HTH, Darmal, D.A Dixon & K Dixon and David Scanlen requisitioning a general meeting of DLS in accordance with Section 249D of the Corporations Act to restructure the board of DLS (Requisitioned Meeting), a copy of which is in Annexure A
D.A Dixon & K Dixon,		23,600,000	
Darmal Pty Limited (Darmal)	008 560 236	1,000,000	
David Scanlen		12,279,295	
Taylor-Day Pty Limited (Taylor-Day)	060 864 664	960,000	

6. Addresses

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

Name	Address
HTH	Level 14, The Forrest Centre, 221 St Georges Terrace, Perth WA 6000
RIPL	Suite 202, Angela House, 30-36 Bay Street, Double Bay NSW 2028
SCB	Suite 202, Angela House, 30-36 Bay Street, Double Bay NSW 2028
OEQ	Level 14, The Forrest Centre, 221 St Georges Terrace, Perth WA 6000
QUE	Level 14, The Forrest Centre, 221 St Georges Terrace, Perth WA 6000
D.A Dixon & K Dixon	104/88 Kirribilli Avenue, Kirribilli, NSW 2061
Darmal	Ground Floor, 72 Northbourne Avenue, Canberra ACT 2600
Taylor-Day	GPO Box 582 Brisbane, QLD 4001
David Scanlen	4 Moonbria Street, Naremburn, NSW 2065

Signature

sign here _____
 print name Simon Cato

Date 14 September 2006
 capacity Director of SCB, RIPL and HTH

sign here _____
 print name Victor Ho

Date 14 September 2006
 capacity Director and Secretary of OEQ

sign here _____
 print name Farooq Khan

Date 14 September 2006
 capacity Director of QUE

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.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act.

(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 circumstance 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.

(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 of 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.

VICTOR HO 14/09/2006

4 September 2006

The Directors
Drillsearch Energy Limited
Level 8
16 Spring Street
Sydney NSW 2000

Dear Sirs

**SECTION 249D REQUEST TO CALL GENERAL MEETING OF
DRILLSEARCH ENERGY LIMITED ABN 73 006 474 844 ("DLS")**

Pursuant to section 249D(1) of the *Corporations Act 2001* (Cth), we, being registered shareholders of Drillsearch Energy Limited ABN 73 006 474 844 ("DLS" or "Company") with at least 5 % of the votes that may be cast at a general meeting of the Company, **REQUEST** that the Directors of the Company call and arrange to hold a general meeting of the Company in accordance with section 249D of the *Corporations Act 2001* (Cth), to consider and, if thought fit, to pass the following resolutions ("**Section 249D Request**"):

Resolution 1 - Removal of Graham Charles Reveleigh as a director and appointment of Christopher Bruce Ryan in his place

"That Graham Charles Reveleigh be and he is hereby removed from office as a director of the Company and that Christopher Bruce Ryan be appointed a director of the Company in his place."

Resolution 2 - Removal of John McClelland Armstrong as a director and appointment of Daryl Albert Dixon in his place

"That John McClelland Armstrong be and he is hereby removed from office as a director of the Company and that Daryl Albert Dixon be appointed a director of the Company in his place."

Resolution 3 - Removal of directors appointed on or after the date of Section 249D Request (if any)

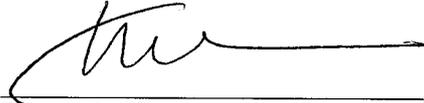
"That each person appointed as a director of the Company on or after the date of service of this Section 249D Request to the Company and prior to the closure of this meeting (not including any director of the Company as at the date of service of this Section 249D Request or any person appointed pursuant to Resolutions 1 to 2 above) be and is hereby removed from office as a director of the Company."

Enclosed are executed nominations and consents to act as a director of the Company.

Please confirm in writing that you will attend to the necessary steps in order to call and arrange to hold a general meeting of the Company to consider and, if thought fit, to pass the above resolutions and confirm the date for such meeting.

Yours Faithfully

EXECUTED by HTH TRADING PTY LIMITED (A.C.N. 105 905 904) of Level 14,
The Forrest Centre , 221 St Georges Terrace, Perth WA 6000, in accordance with its
constitution:

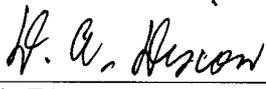


Director



Company Secretary

SIGNED by D.A. DIXON and K DIXON of GPO Box 1481, Canberra ACT 2601

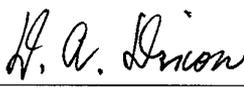


D.A. Dixon



K Dixon

EXECUTED by DARMAL PTY. LIMITED (A.C.N. 008 560 236) of care of Daryl Dixon, PO Box 149 Milsons Point NSW 1565, in accordance with its constitution:



Director





Director / Company Secretary

SIGNED by DAVID SCANLEN of 4 Moonbria Street, Naremburn NSW 2065



David Scanlen

**NOMINATION AND CONSENT TO ACT AS DIRECTOR OF
DRILLSEARCH ENERGY LIMITED ABN 73 006 474 844**

The Directors
Drillsearch Energy Limited
Level 8
16 Spring Street
Sydney NSW 2000

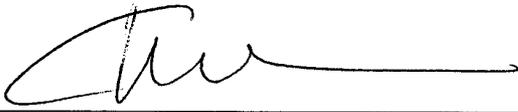
I, **CHRISTOPHER BRUCE RYAN**, CONSENT to act as a director of Drillsearch Energy Limited ABN 73 006 474 844 ("DLS" or "Company").

DATED :  September 2006

For the purposes of disclosure to ASIC, my particulars are as follows:

Full Name:	CHRISTOPHER BRUCE RYAN
Residential Address:	5 Arthur Street Double Bay NSW 2028
Date of Birth:	02/01/1943
Place and Country of Birth:	Perth, Western Australia

SIGNED:

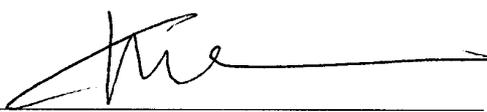


Signature of proposed director, **CHRISTOPHER BRUCE RYAN**

HTH TRADING PTY LIMITED (A.C.N. 105 905 904) of Level 14, The Forrest Centre , 221 St Georges Terrace, Perth WA 6000, being a registered shareholder of the Company, hereby **NOMINATES CHRISTOPHER BRUCE RYAN** as a Director of the Company.

DATED :  September 2006

EXECUTED by **HTH TRADING PTY LIMITED**, in accordance with its constitution:



Director



Company Secretary

**NOMINATION AND CONSENT TO ACT AS DIRECTOR OF
DRILLSEARCH ENERGY LIMITED ABN 73 006 474 844**

The Directors
Drillsearch Energy Limited
Level 8
16 Spring Street
Sydney NSW 2000

I, **DARYL ALBERT DIXON**, CONSENT to act as a director of Drillsearch Energy Limited ABN 73 006 474 844 ("DLS" or "Company").

DATED: September 2006

For the purposes of disclosure to ASIC, my particulars are as follows:

Full Name:	DARYL ALBERT DIXON
Residential Address:	6 LAVER PLACE MELBA ACT 2615 104/88 KERRIBILLI AVE KERRIBILLI NSW 2061 D Dixon
Date of Birth:	26/6/1942
Place and Country of Birth:	Bundaberg, Queensland

SIGNED:



Signature of proposed director, **DARYL ALBERT DIXON**

HTH TRADING PTY LIMITED (A.C.N. 105 905 904) of Level 14, The Forrest Centre, 221 St Georges Terrace, Perth WA 6000, being a registered shareholder of the Company, hereby **NOMINATES DARYL ALBERT DIXON** as a Director of the Company.

DATED: 4 September 2006

EXECUTED by **HTH TRADING PTY LIMITED**, in accordance with its constitution:



Director



Company Secretary