

Form **605**
Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

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

ACN/ARSN **006 474 844**

1. Details of substantial holder

Name		ACN / ABN
SCARBOROUGH EQUITIES LIMITED	(SCB) ¹	ABN 58 061 287 045
RIPL INVESTMENTS PTY LIMITED	(RIPL) ²	ABN 58 096 139 374
HTH TRADING PTY LIMITED	(HTH) ³	ABN 60 105 905 904
ORION EQUITIES LIMITED	(OEQ) ⁴	ABN 77 000 742 843
QUESTE COMMUNICATIONS LTD	(QUE) ⁵	ABN 58 081 688 164

The holder ceased to be a substantial holder on: 21 February 2008

The previous notice was given to the company on: 30 October 2006

The previous notice was dated: 30 October 2006

2. 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	Consideration given in relation to change	Class and number of securities affected	Person's votes affected
13 August 2007	The parties named in (1) above	Allotment of shares to HTH pursuant to a subscription under a DLS Share Purchase Plan dated 23 July 2007	\$5,000.00	44,267	44,267
30 September 2007	The parties named in (1) above	Allotment of shares to HTH pursuant to a subscription under a one for four non-renounceable rights issue by a DLS prospectus dated 6 September 2007	\$583,606.70	5,836,067	5,836,067
21 February 2008	The parties named in (1) above	Dilution of HTH's voting power in DLS as a consequence of DLS issuing 211,090,636 shares under a one for one non-renounceable rights issue by a DLS prospectus dated 18 January 2008	N/A	N/A	N/A

- 1 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
- 2 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
- 3 The legal, beneficial and registered holder of DLS shares
- 4 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
- 5 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

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 had a relevant interest in when last required, and as at the date of ceasing to be a substantial holder, are as follows:

Class of securities	Previous notice		Present notice	
	Person's votes	Voting power	Person's votes	Voting power ⁽⁵⁾
Ordinary Shares	23,300,000	5.78% ^(A)	29,180,334	3.8% ^(B)

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

(B) Based on DLS total issued share capital being 769,217,760 shares

3. Changes in association

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

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

4. Addresses

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

Name	Address
HTH	Suite 202, Angela House, 30-36 Bay Street, Double Bay NSW 2028
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
HTH	Level 14, The Forrest Centre, 221 St Georges Terrace, Perth WA 6000

Signature

sign here _____
print name Victor Ho

Date 27 February 2008
capacity Secretary of SCB, RIPL and HTH

sign here _____
print name William Johnson

Date 27 February 2008
capacity Director of OEQ

sign here _____
print name Farooq Khan

Date 27 February 2008
capacity Director of QUE