

Drillsearch Energy Limited

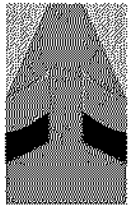
ACN 006 474 844

ABN 73 006 474 844

ASX: DLS

Level 8, 16 Spring Street
SYDNEY, NSW 2000, Australia

Telephone: +61 2 9241 4440
Facsimile: +61 2 9241 4404
Email: corporate@drillsearch.com.au



12 October, 2006

The Manager
Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

FOR PUBLIC RELEASE

Dear Sirs,

Re: Tintaburra - Weekly Drilling Update – 11 October, 2006

Drillsearch Energy Limited ("Drillsearch") is pleased to announce continued success with the Tintaburra development drilling programme. Mulberry 22 and Endeavour 19 have both been cased and suspended as a future oil production wells.

Rig PDI-735 spudded Mulberry 22 spudded on 2 October 2006. The well encountered oil shows while drilling in the Birkhead Formation, and wire line logs have indicated 4 m of net pay. The well was cased and suspended as an oil production well and the rig released to the Mulberry 23 location.

Mulberry 23, an oil delineation well, spudded on 8 October 2006, is currently drilling in the 7 7/8" hole and has encountered oil shows in the Birkhead Formation. The well is expected to reach TD on 12 October 2006.

Rig PDI-724 spudded Endeavour 19, an oil delineation well, on 1 October 2006. During drilling oil shows were encountered in the Birkhead Formation and evaluation of wire line logs indicated 7 m of net oil pay. The well was cased and suspended as a future oil production well, and the rig released to the Endeavour 16 location on 6 October 2006.

Endeavour 16, an oil delineation well, spudded on 7 October 2006. Oil shows were encountered in the Birkhead Formation. The well has reached TD and current operations are preparing to run wire line logs.

The Weekly Drilling Update is set out below, as at 0600 hrs Wednesday 11 October 2006.

Well Details – Mulberry 22

Name: Mulberry 22, Delineation Well
Permit: PL 39, Tintaburra Block
Rig: PDI-735
Total Depth (TD): 1364 m (final)
Location: Approximately 600 m south of Mulberry 9 and 850 m southwest of Mulberry 14 (see Map: ASX Release 8 September 2006).
Objective: Birkhead Formation
Progress: Rig PDI-735 spudded Mulberry 22 on 2 October 2006. The well encountered good oil shows in the Birkhead Formation and evaluation of wire line logs indicated approximately 4 m of net oil pay. The well has been cased and suspended as a future oil production well. The rig was released to the Mulberry 23 location on 7 October 2006.

Well Details – Mulberry 23

Name: Mulberry 23, Delineation Well
Permit: PL 39, Tintaburra Block
Rig: PDI-735
Total Depth (TD): 1355 m (expected)
Location: Approximately 900 m east of Mulberry 13 and 1.2 km south of Mulberry 8 (see Map: ASX Release 8 September 2006).
Objective: Birkhead Formation
Progress: Rig PDI-735 spudded Mulberry 22 on 8 October 2006. Current operations are drilling ahead in 7 7/8" hole, and the well is expected to reach TD on 11 October 2006.

Well Details – Endeavour 19

Name: Endeavour 19, Delineation Well
Permit: PL 57, Tintaburra Block
Rig: PDI-724
Total Depth (TD): 1452 m (final)
Location: Approximately 900 m southwest of Endeavour 8 and 1 km southeast of Mimosa 1 (see Map: ASX Release 8 September 2006).
Objective: Birkhead Formation
Progress: Rig PDI-724 spudded Endeavour 19 on 1 October 2006. The well encountered good oil shows in the Birkhead Formation and wire line log indicate approximately 7 m of net oil pay. The well has been cased and suspended as a future oil production well. The rig was released to the Endeavour 16 location on 6 October 2006.

Well Details – Endeavour 16

Name: Endeavour 16, Delineation Well
Permit: PL 57, Tintaburra Block
Rig: PDI-724
Total Depth (TD): 1456 m (expected)
Location: Approximately 320 m west northwest of Endeavour 3 and 620 m northeast of Mimosa 1 (see Map: ASX Release 8

September 2006).

Objective: Birkhead Formation
Progress: Rig PDI-724 spudded Endeavour 19 on 1 October 2006.
During drilling the well encountered oil shows in the Birkhead Formation. Endeavour 16 has reached TD and current operations are preparing to run wire line logs.

*Abbreviations: km – kilometres
m – metres
TD – total depth
NFE – near field exploration
BOP – blowout preventer*

Participating interests in the Block are:

Santos Limited	89% (Operator)
Drillsearch Energy Limited	10%
CPC Energy Pty Limited	1%

Yours faithfully,
DRILLSEARCH ENERGY LIMITED

PHILIP F. KELSO
MANAGING DIRECTOR