

November Drilling Report

- **Unconventional Business**
 - Washington-1 recovers gas and liquids during production test
 - Completion options under consideration
- **Wet Gas Business**
 - Willow-1 exploration well expected to spud in early December 2015

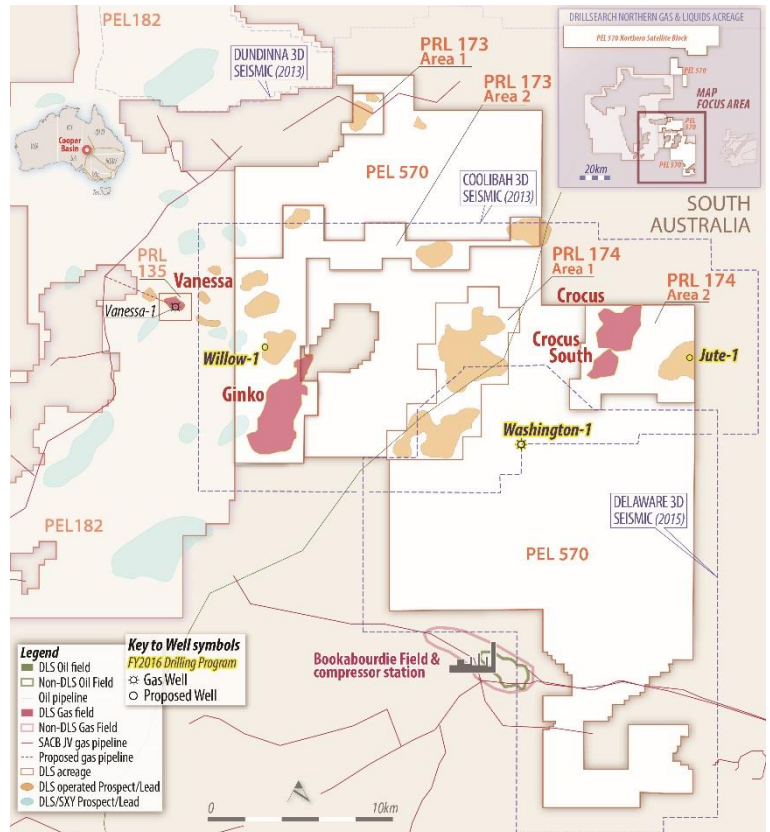
Unconventional Business

The Washington-1 unconventional exploration well in PEL 570 reached a total depth of 3,660 metres in October and encountered elevated gas shows in the Permian Source Rocks across the Toolachee, Epsilon and Patchawarra Formations.

In November, the joint venture (Drillsearch 47.5%; Santos 35% and Operator; Sundance Energy 17.5%) tested all three formations with a five-stage hydraulic stimulation campaign. Measurable gas flows to surface were recorded after only seven days with the test lasting for 38 days.

Initial gas flow rates were encouraging with the well also producing hydrocarbon-liquids towards the end of the test. The well has been shut-in to monitor pressure build up while the joint venture considers completion options.

Drillsearch's proportionate share of the costs of drilling, testing and completing the Washington-1 well are included in the continuing free-carry in PEL 570.



Wet Gas Business

During the month of November, preparation continued for the two-well exploration drilling and testing campaign in PRLs 173 and 174.

The Ensign 932 Rig is on location with the Willow-1 well expected to spud in the second week of December 2015.

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