

29 July 2009

Addendum to June 2009 Quarterly Report

Drillsearch Energy Limited releases this addendum to its June 2009 Quarterly Report. The addendum incorporates operational and financial information for the full quarter to 30 June 2009 from Drillsearch's 79.5% owned Canadian subsidiary, Circumpacific Energy Resources (CER).

CER had not released its quarterly report to TSX when Drillsearch lodged its initial June 2009 Quarterly Report with ASX on 24 July 2009. Accordingly, the initial Drillsearch Quarterly Report only included CER's results to 31 May 2009.

The most significant update relates to the re-statement of the total cash position of Drillsearch. The total cash balance of \$8.14M (and no debt) as at 30 June 2009 represents an **IMPROVEMENT** on the Company's previously reported 31 March 2009 cash balance. The Quarterly Report corrects the inaccurate views expressed by Beach Petroleum in relation to Drillsearch's cash position.

All of the changes to the previous Quarterly Report are highlighted in the table on the following page.

Company Highlights

Financial

- Cash at 30 June 2009 - \$8.14M and no debt – adequate to meet all existing project commitments.
- Canadian sales revenue of \$1.34M for the June 2009 Quarter compared with \$0.93M for the previous Quarter (45% greater than the March Quarter).

Production

- Canadian oil and gas production of 21,014 boe for the Quarter was 28% better than the previous quarter.
- Total oil and gas production for the June 2009 Quarter was up 17% from the March 2009 Quarter.

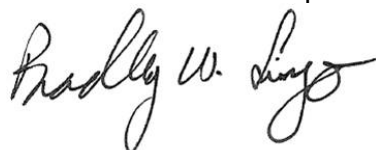
Development & Exploration

- Canadian development and exploration expenditures were well controlled in the June 2009 Quarter and were in line with the March 2009 Quarter levels.

Financials

Description	Units	Full Year 2007-2008	Full Year 2008-2009	March 2009 Quarter	June 2009 Quarter	Quarter Change	Quarter Change %
Oil & gas production							
Australia	boe	140,393	118,601	27,596	30,675	3,079	11%
Canada	boe	87,007	82,580	16,397	21,014	4,617	28%
Total Production	boe	227,400	201,181	43,993	51,689	7,696	17%
Oil & gas revenues							
Australia	A\$	15,183,985	9,325,053	1,952,214	1,572,367	-379,847	-19%
Canada	A\$	7,756,405	5,302,112	925,385	1,341,436	416,051	45%
Total Sales Revenue	A\$	22,940,390	14,627,165	2,877,599	2,913,803	36,204	1%
Production expenditure							
Australia	A\$	5,292,355	5,627,681	982,379	1,057,259	74,880	8%
Canada	A\$	1,392,992	2,421,655	488,185	416,010	-72,175	-15%
Total Production Expenditure	A\$	6,685,347	8,049,336	1,470,564	1,473,270	2,705	0%
Exploration & development expenditure							
Australia	A\$	8,203,233	8,851,510	2,155,860	1,075,990	-1,079,870	-50%
Canada	A\$	266,633	593,166	47,287	68,085	20,798	44%
Total Expl & Dev Expenditure	A\$	8,469,866	9,444,676	2,203,147	1,144,075	-1,059,072	-48%
Financials							
Cash & Cash Equivalents	A\$	11,914,442	8,141,827	8,130,130	8,141,827	11,697	0%
Debt	A\$	None	None	None	None	-	-
Hedging	A\$	None	None	None	None	-	-
Capital							
Issued Shares	# millions	1,116.14	1,728.43	1,667.83	1,728.43	61	4%
Unlisted options	# millions	None	45.50	57.50	45.50	-12.00	-21%
* Boe stands for barrels of oil equivalent.							
* Canada numbers have been restated. Full year 2007-2008 was shown at 100% whilst current year information was shown at Drillsearch's equity interest of 79.5%.							
* Canada Production, Revenue, Production expenditure, Exploration & development expenditure and Cash & Cash equivalents are now shown at 100%. Drillsearch's interest in CER is 79.5% and is accounted for on an equity basis.							

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About Drillsearch Energy Limited (ASX: DLS), which listed on ASX in 1987, explores and develops conventional oil and gas projects. Drillsearch Energy merged with Great Artesian Oil and Gas (ASX: GOG) in 2008. The merged group has a strategic spread of petroleum exploration and production acreage in Australia's most prolific onshore oil and gas province, the Cooper/Eromanga Basins in South Australia and Queensland, as well as offshore exploration in the Carnarvon and Gippsland Basins. Drillsearch also has interests in PNG and Canada. The Company's focus is on 'brownfields' exploration where geological risk is reduced and there is access to existing infrastructure, ensuring that any discoveries can be brought into production.