

21 December 2015

To: Each holder of the Notes (as defined below) (**Noteholder**)

Copy: DB Trustee (Hong Kong) Limited (**Trustee**)

Deutsche Bank Luxembourg S.A. (**Registrar and Principal Transfer Agent**)

Deutsche Bank AG, Hong Kong Branch (**Paying Agent and Conversion Agent**)

Dear Noteholder

**US\$125,000,000 6.0% GUARANTEED SENIOR UNSECURED CONVERTIBLE NOTES DUE 2018
(THE NOTES) ISSUED BY DRILLSEARCH (FINANCE) PTY LIMITED (THE ISSUER)
(ISIN CODE: XS0919151380)**

SCHEME NOTICE –DRILLSEARCH ENERGY LIMITED (DRILLSEARCH)

1. On the date of this Scheme Notice, Drillsearch despatched a Scheme Booklet to its shareholders, other than Beach Energy Limited (**Beach**) and its related bodies corporate (as defined in the *Corporations Act 2001* (Cth) (**Act**)) (**Excluded Shareholders**), outlining the terms of the proposed merger of Drillsearch and Beach by scheme of arrangement under Part 5.1 of the Act (the **Scheme**), which if implemented, will result in all of the issued share capital of Drillsearch held by Drillsearch shareholders (other than Excluded Shareholders) being transferred to Beach.
2. Details regarding the Scheme may be obtained from the offices of the Principal Paying and Conversion Agent at:

Level 52, International Commerce Centre,
1 Austin Road West,
Kowloon, Hong Kong

Yours sincerely

DRILLSEARCH (FINANCE) PTY LIMITED



Clifford Tuck
Company Secretary

Drillsearch