



17 April 2018

Operations Update

Ungani access road

The ponded areas at the 10 km section of the access road are now substantially free of water with water levels having generally receded to below the roadbed level while remaining in the adjacent areas. There is now access for light vehicles through the previously ponded area and approval has also been sought to construct a light vehicle diversion road to allow repairs to that section of the road without traffic across it. Heavy vehicle access across the ponded areas is not expected to be possible until the end of the month or early May to allow these sections of the road to dry out and be repaired as necessary.

Ungani Field production restart

The field crew has been accessing the field and preparations are underway to commence the restart as soon as heavy vehicle access is restored and the current inventory in the storage tanks is able to be lifted. Preparations for the flowline completion and hookup have also commenced.

Subject to the production results from the Ungani 4 and Ungani 5 wells, the forward plan is to continue to build production to the target rate of 3,000 barrels of oil per day. The existing oil cartage contractor Fuel Trans Australia Pty Ltd has committed six road trains in quad configuration for Ungani production on re-start which will allow production transport capacity of ~2,400 bopd. A contract has now also been executed with Road Trains Australia Pty Ltd for an additional three road trains in triple configuration which will provide capacity to increase production transport capacity to Buru's target of ~3,000 bopd.

As the on-site storage tanks are full with an inventory of some 5,000 barrels of oil this will be the immediate focus on the resumption of the trucking operation to provide ullage for the resumption of production and the commissioning of Ungani 4 and 5.

Exploration

In preparation for the 2018 drilling program, the Company has entered into an agreement with DDG Tubridgi Pty Limited (DDGT) to secure access to the DDGT 1 rig. The rig currently remains stacked at Ungani and DDGT will be undertaking maintenance, repairs and upgrades to the rig prior to it being used for the 2018 drilling program.

Planning and sourcing of long lead items for the 2018 drilling campaign are continuing with the final form of the program dependent on farmout discussions which are continuing to progress satisfactorily.

Visit www.buruenergy.com for information on Buru Energy's current and future activities.

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