



29 December 2017

Operations Update

Weather

The rain associated with Cyclone Hilda which is progressing down the Kimberley coast has affected Ungani operations. All operations are proceeding safely in accordance with contingency plans, but the access road to the field and rig has been temporarily closed. This will cause oil production from the Ungani Field to be shut-in for up to three days and may result in a short delay in running the completion on the Ungani 5 well.

Ungani 5

A full suite of good quality wireline logs including wireline pressure data has been acquired with no issues.

These logs have confirmed the reservoir is similar in quality to the other wells in the Ungani Field and have also confirmed there is an oil column of approximately 53 metres in the well which is similar to the Ungani 2 oil column.

As soon as the weather system has passed, the well will be completed with a series of swellable packers that will allow zonal isolation and separate testing of zones. The rig will then be moved to Ungani 4 to finalise the completion in that well.

As the packers require time to set, the test programs on both wells and the tie-in of Ungani 4 will then be undertaken in mid to late January.

Ungani Production and Facilities

The installation of the new tanks to increase the fluid handling at the field up to 8,000 barrels of fluid per day and the oil handling capacity from 2,400 barrels to 4,900 barrels is now complete and the tanks are now in service. As part of the recent work at the facility the Ungani 4 flowline has been substantially completed with the remaining work being the tie-ins to the wellhead and to the facility.

The Ungani 1ST1 and Ungani 2 wells have continued to perform in line with expectations with average production of some 1,300 bopd. The Wyndham tank now has some 45,600 barrels in storage and the next lifting is expected to be in the second week in January.



Ungani 4 Flowline



Ungani Facility tank upgrades

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

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Qualified Petroleum Resources Evaluator Statement

Except where otherwise noted, information in this release related to exploration and production results and petroleum resources is based on information compiled by Eric Streitberg who is an employee of Buru Energy Limited. Mr Streitberg is a Fellow of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors, and a member and Certified Petroleum Geologist of the American Association of Petroleum Geologists. He has over 40 years of relevant experience. Mr Streitberg consents to the inclusion of the information in this document.