



**Buru Energy Limited**  
ABN 71 130 651 437  
Level 2, 97 William Street  
Perth, Western Australia 6000  
PO Box 7794, Perth  
Cloisters Square WA 6850  
Ph: 61-8 9215 1800  
Fax: 61-8 9215 1899  
[www.buruenergy.com](http://www.buruenergy.com)

## **ASX ANNOUNCEMENT (ASX: BRU)      12 July 2012**

### **Weekly Drilling Progress Report - Yulleroo-3**

---

Buru Energy Limited (“**Buru**” or “**Company**”) provides the following weekly update on the drilling operations at the Yulleroo-3 well as at 06:00hrs, 12 July 2012 (AWST).

Yulleroo-3 is the third well in the Buru – Mitsubishi Corporation (“**MC**”) 2012 Joint Exploration Program. The well is located in exploration permit EP 391 some 80 kilometres to the east of Broome. Buru and MC each have a 50% interest in this well and in EP 391, with MC contributing 80% of the cost of the well under the terms of its farm-in agreement with Buru.

Since the last progress report, the second of the two planned cores has been cut from 3308.3 metres to 3,314.4 metres (6.1 metres) with 94.1% recovery. The core consisted of siltstone and fine grained sandstones similar to the Laurel gas sands encountered in Yulleroo-1 and Yulleroo-2. Gas was noted bleeding from the core at surface. The well was then drilled ahead to a preliminary total depth of 3,578 metres.

A full suite of wireline logs are now being run to evaluate the 8½” hole section. Following logging operations, 7” casing will be run and cemented.

Gas peaks and high levels of background gas have continued to be recorded and continuing similarities in gas shows and gas wetness to the Valhalla basin centred gas accumulation have been noted.

The significance of the continuing gas shows encountered to date and their relationship to the previous wells will be determined once logging has been completed.

In accordance with its policy of releasing weekly drilling progress reports, the Company expects to issue a further drilling progress report on 19 July 2012, subject to any material events occurring in the meantime.

Further information on the Company is available at: [www.buruenergy.com](http://www.buruenergy.com)

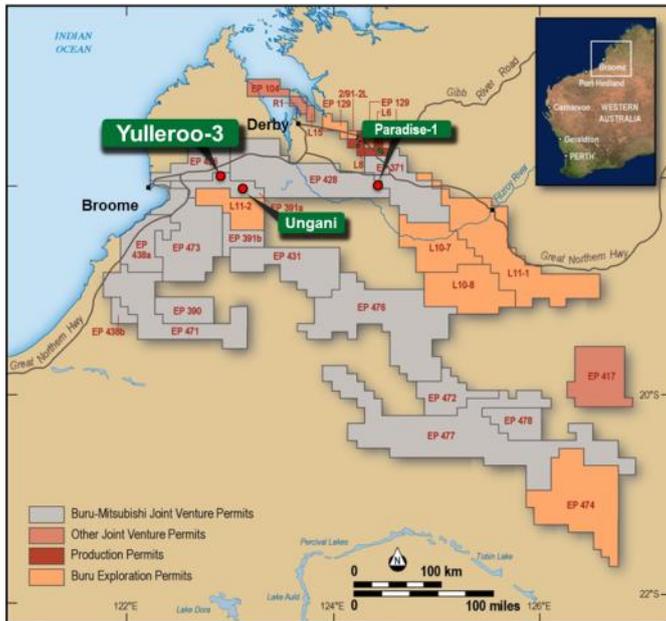
**For inquiries please contact:**

<b>Eric Streitberg</b>	<b>Executive Director</b>
<b>Telephone</b>	<b>+61 8 9215 1800</b>
<b>Freecall</b>	<b>1800 337 330</b>
<b>Email</b>	<b><a href="mailto:ericstreitberg@buruenergy.com">ericstreitberg@buruenergy.com</a></b>

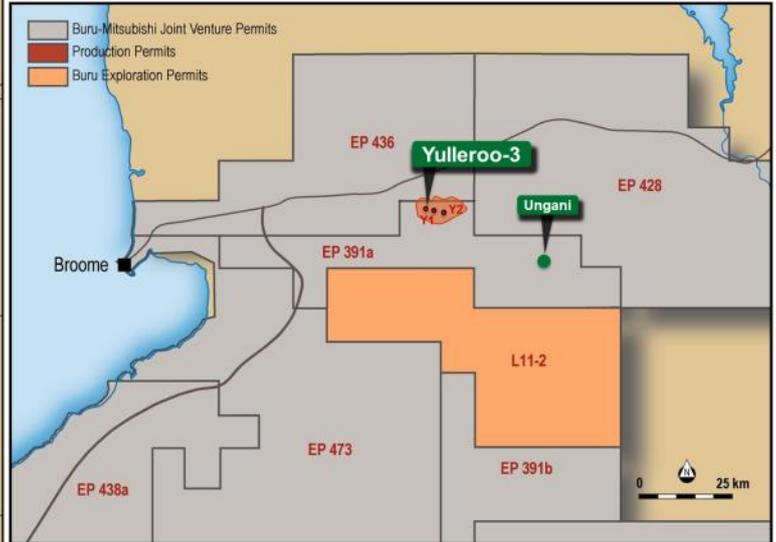
## YULLEROO-3

<b>PERMIT</b>	The Yulleroo-3 well is located in exploration permit EP 391 some 80 kms east of Broome. Maps showing the location of the well are set out on the following page.
<b>WELL LOCATION</b>	Latitude: 17 <sup>0</sup> 50' 59.39" S      Easting: 488510m Longitude: 122 <sup>0</sup> 53' 20.59" E      Northing: 8026425m
<b>BURU'S INTEREST</b>	Buru Energy Limited holds a 50% interest in the well
<b>DATE OF PROGRESS REPORT</b>	06:00hrs, 12 July 2012 (AWST)
<b>PROPOSED TOTAL DEPTH</b>	3,600 metres
<b>CURRENT DEPTH</b>	3,578 metres (Preliminary total depth)
<b>PROGNOSED TIME TO COMPLETION</b>	58 days
<b>SPUD DATE</b>	25 May 2012
<b>DAYS SINCE SPUD</b>	48 days
<b>CURRENT TARGET FORMATION</b>	The Yulleroo-3 well is targeting the Upper and Lower Laurel gas sands encountered in the Yulleroo-1 and 2 wells.
<b>OPERATIONS SINCE LAST PROGRESS REPORT</b>	Since the last progress report, the second of the two planned cores has been cut from 3308.3 metres to 3,314.4 metres (6.1 metres) with 94.1% recovery. The well was then drilled ahead to a preliminary total depth of 3,578m.
<b>HYDROCARBON INDICATIONS</b>	The core consisted of siltstone and fine grained sandstones similar to the Laurel gas sands encountered in Yulleroo-1 and Yulleroo-2. Gas was noted bleeding from the core at surface.  Gas peaks and high levels of background gas have continued to be recorded and continuing similarities in gas shows and gas wetness to the Valhalla basin centred gas accumulation have been noted.
<b>FORWARD OPERATIONS</b>	A full suite of wireline logs are now being run to evaluate the 8½" hole section. Following logging operations, 7" casing will be run and cemented.

## LOCATION MAPS



Yulleroo-3 Regional location map



Yulleroo-3 Detailed location map