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UNGANI-1ST1 OPERATIONS UPDATE

Buru Energy Limited provides the following update on operations at the Ungani-1ST1 well.

Since the last progress report, logging while drilling ("LWD") operations have been carried out and a preliminary interpretation of the real time LWD data has now been completed.

This interpretation indicates that there is a potential hydrocarbon column (most likely oil) in the Upper Laurel dolomite section, with a gross thickness of some 57 metres. Some fractures are evident on logs and there is a most likely net pay thickness of 11.7 metres, but until further logs are downloaded and interpreted, it is not possible to be definitive as to the amount of net pay in the section.

Given the hole conditions, it has been decided that attempting to obtain pressure and fluid samples is inadvisable, and the forward plan is to case the well with a slotted liner over the reservoir section and to conduct an immediate cased hole test to determine the flow potential of the reservoir and the composition of the reservoir fluids. This operation is expected to take up to 7 days.

Commenting on these results, Buru's Executive Director, Eric Streitberg, said:

"The results so far are very encouraging, recognising that there are several steps to go to see if we have a commercial discovery. We have to prove we can produce hydrocarbons from the reservoir, and if we can, that we can do so at commercial rates.

What is also encouraging is that the Ungani structure is large, and capable of holding substantial volumes of hydrocarbons, if hydrocarbons can be recovered and commerciality can be proven in this location.

Regardless of the final results of the Ungani well, the information obtained to date indicates that this is a major new play type in the Canning Superbasin and we will be reviewing the regional implications for our exploration program."

Further releases will be made as material information comes to hand.

Further information on the Company is available at: www.buruenergy.com

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LOCATION MAP – UNGANI-1

