



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

ASX ANNOUNCEMENT (ASX: BRU) 25 August 2011

WEEKLY DRILLING PROGRESS REPORT UNGANI-1

Buru Energy Limited (“**Buru**” or “**Company**”) provides the following weekly update on drilling operations at the Ungani-1 well as at 06:00hrs, 25 August 2011 (AWST).

The Ungani-1 well is the third well in the Buru – Mitsubishi Corporation (“**MC**”) 2011 Joint Exploration Program. 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 for the Ungani-1 well, 13 $\frac{3}{8}$ ” casing was run to a depth of 619m. The well has then been drilled ahead in 12 $\frac{1}{4}$ ” hole to a depth of 1,078m as at 06:00hrs today. The well is currently being drilled ahead to the intermediate casing point at 2,000m.

Ungani-1 is being drilled by Ensign Rig #32. It is expected to take 26 days to drill on a dry hole basis.¹

In accordance with its policy of releasing weekly drilling progress reports, the Company expects to issue a further drilling progress report on 1 September 2011, subject to any material events occurring in the meantime.

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

For inquiries please contact:

Eric Streitberg Executive Director
Telephone: +61 8 9215 1800
Freecall: 1800 337 330
Email: ericstreitberg@buruenergy.com

¹ *Drilling dates and times in this ASX release are indicative only. The timing of drilling operations is subject to weather and operational factors.*

UNGANI-1

PERMIT	The Ungani-1 well is located in exploration permit EP 391. A map showing the location of the well is set out below.
WELL LOCATION	Latitude: 17° 59' 25.6"S Northing: 8010864m Longitude: 123° 09' 50.8"E Easting: 517375m
BURU'S INTEREST	Buru Energy Limited holds a 50% interest in the well.
DATE OF PROGRESS REPORT	06:00hrs, 25 August 2011 (AWST)
PROPOSED TOTAL DEPTH	3,200m
CURRENT DEPTH	1,078m
PROGNOSED TIME TO TOTAL DEPTH	26 days
SPUD DATE	13 August 2011
DAYS SINCE SPUD	12 days
CURRENT TARGET FORMATION	Sandstones of the Grant and Anderson Formations.
OPERATIONS SINCE LAST PROGRESS REPORT	13¾" casing was run to a depth of 619m. The well has then been drilled ahead in 12¼" hole to a depth of 1,078m as at 06:00 hours today.
HYDROCARBON INDICATIONS	Oil shows were noted over the interval 945m to 970m in the Grant Sandstones. The significance of these shows will be evaluated with wireline logs and sidewall cores at intermediate logging depth.
FORWARD OPERATIONS	The well is currently being drilled ahead in 12¼" hole to the intermediate casing point at 2,000m.

LOCATION MAP – UNGANI-1

