

22 October 2015

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## Weekly Drilling Report Victory 1 Exploration Well

Buru Energy Limited (Buru Energy) provides the following weekly update on drilling operations at the Victory 1 well as at 06:00hrs, 22 October 2015 (AWST).

Since the last progress report, the remediation operations to the casing have been completed and the well has been drilled ahead in 4-3/4" (121mm) hole to a drill depth of 1,976 metres.

At a depth of 1,945 metres complete lost circulation was encountered with high and erratic drilling rates similar to those encountered in the Ungani Dolomite in other wells.

As planned, the drilling system has been switched to a managed pressure system but complete losses are still being encountered.

Mudgas indications and minor fluorescence were noted in limestones above the lost circulation zone, but as there have been no sample returns from 1,945 metres drill depth, the presence or not of hydrocarbons in this section cannot be determined at this time and will be evaluated by wireline logs and testing if warranted.

Victory 1 is located in exploration permit EP 457, 185 kms east of Broome and 85 kms southeast of Buru Energy's producing Ungani Oilfield. Equity and contributing interests in the well are as follows:

<b>Company</b>	<b>Equity Interest</b>	<b>Contributing Interest</b>
Buru Energy	37.5%	41.67%
Mitsubishi Corporation	37.5%	41.67%
Rey Resources	25.0%	16.67%

Visit [www.buruenergy.com](http://www.buruenergy.com) for information on Buru Energy's current and future activities.

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### About Buru Energy

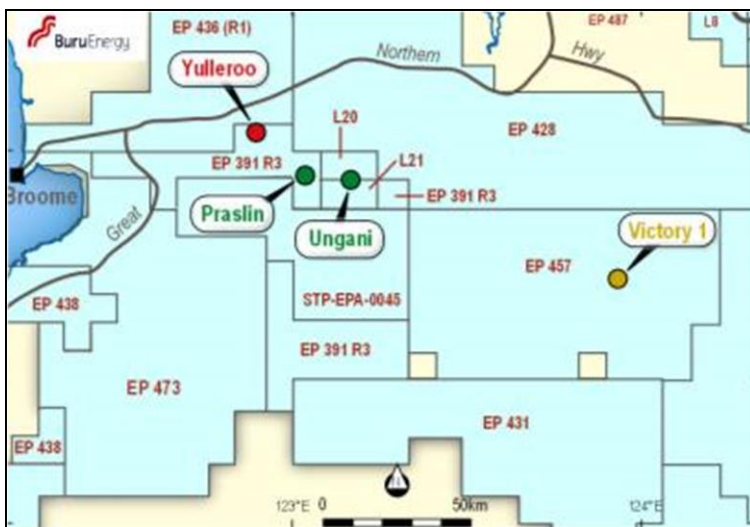
Buru Energy Limited (ASX: BRU) is a Western Australian oil and gas exploration and production company headquartered in Perth with an operational office in Broome. The Company's petroleum assets and tenements are located onshore in the Canning Basin in the southwest Kimberley region of Western Australia. Its flagship high quality conventional Ungani oil field project is owned in 50/50 joint venture with Mitsubishi Corporation. As well as Ungani, the Company's portfolio includes potentially world class tight gas resources. The company's goal is to deliver material benefits to its shareholders, the State of Western Australia, the Traditional Owners of the areas in which it operates, and the Kimberley community, by successfully exploring for and developing the petroleum resources of the Canning Basin in an environmentally and culturally sensitive manner.

### Competent Persons Statement

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.

## Victory 1 Weekly Drilling Report

<b>PERMIT</b>	The Victory 1 well is located in exploration permit EP 457, 185 kilometres to the east of Broome and 85 kilometres southeast of the Ungani Oilfield.
<b>WELL LOCATION</b>	Latitude: 18° 15' 10.0" S      Easting: 597,994 m Longitude: 123° 55' 37.1" E      Northing: 7,981,599 m
<b>BURU ENERGY'S INTEREST</b>	Buru Energy Limited holds a 37.5% interest in the well
<b>DATE OF PROGRESS REPORT</b>	06:00 hours, 22 October 2015 (AWST)
<b>PROPOSED TOTAL DEPTH</b>	Maximum 2,600 metres
<b>CURRENT DEPTH</b>	1,976 metres
<b>SPUD DATE</b>	9 September 2015
<b>DAYS SINCE SPUD</b>	43 days
<b>CURRENT TARGET FORMATION</b>	The primary well objectives are conventional hydrocarbons in the Laurel lower clastics and carbonate (Ungani Dolomite); and Upper Devonian (Nullara) carbonates.
<b>OPERATIONS SINCE LAST PROGRESS REPORT</b>	Since the last progress report, the remediation operations to the casing have been completed and the well has been drilled ahead in 4-3/4" (121mm) hole to a depth of 1,976 metres. At a depth of 1,945 metres complete lost circulation was encountered with high and erratic drilling rates similar to those encountered in the Ungani Dolomite in other wells. As planned, the drilling system has been switched to a managed pressure system but complete losses are still being encountered.
<b>HYDROCARBON INDICATIONS</b>	Mudgas indications and minor fluorescence were noted in limestones above the lost circulation zone, but as there have been no sample returns from 1,945 metres drill depth, the presence or not of hydrocarbons in this section cannot be determined at this time and will be evaluated by wireline logs and testing if warranted.
<b>FORWARD OPERATIONS</b>	Once the section has been fully penetrated it will be evaluated with wireline logs, and by testing if warranted.



Victory 1 Location Map



Atlas Rig #2