

Buru on track for commencement of major Canning Basin exploration drilling program

Highlights

- Canning Basin exploration drilling campaign targeting a total 97 million barrels of conventional oil (mean prospective resources)¹ on track for mid-June start
- Drilling pad for first well (Kurrajong 1) nearing completion
- First rig loads scheduled to leave Northern Territory on 24 May

Background

Buru Energy Limited (Buru) is operating two major exploration wells in the Canning Basin this year, Kurrajong 1 and Rafael 1 in a 50/50 Joint Venture with Origin Energy (Origin). Buru will be carried by Origin for the first \$16 million of the associated well costs. Kurrajong 1 is the first well to be drilled in the program and is located some 30 kilometers west of the Ungani Oilfield and is expected to have similar geology with mean prospective resources of some 29 million barrels of recoverable oil¹.

Kurrajong 1 site preparation

The drill site preparations for Kurrajong 1 are expected to be completed later this week.

The topsoil has been stripped and stacked ready for rehabilitation of the site with the ground works being supervised by senior Yawuru Traditional Owners. The site has been levelled and compacted, the cuttings sump formed up ready for installation of the impervious liner, and the 20 inch surface conductor and cellar has been installed.

All work on the site has been undertaken by local contractors who have completed the operations to a very high standard and incident free.



Installation of 20 inch drilling conductor

¹ Refer Buru ASX release of 22 March for Prospective Resource statements. Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project and may relate to undiscovered accumulations. These prospective resource estimates are gross unrisks and have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Drilling rig preparation

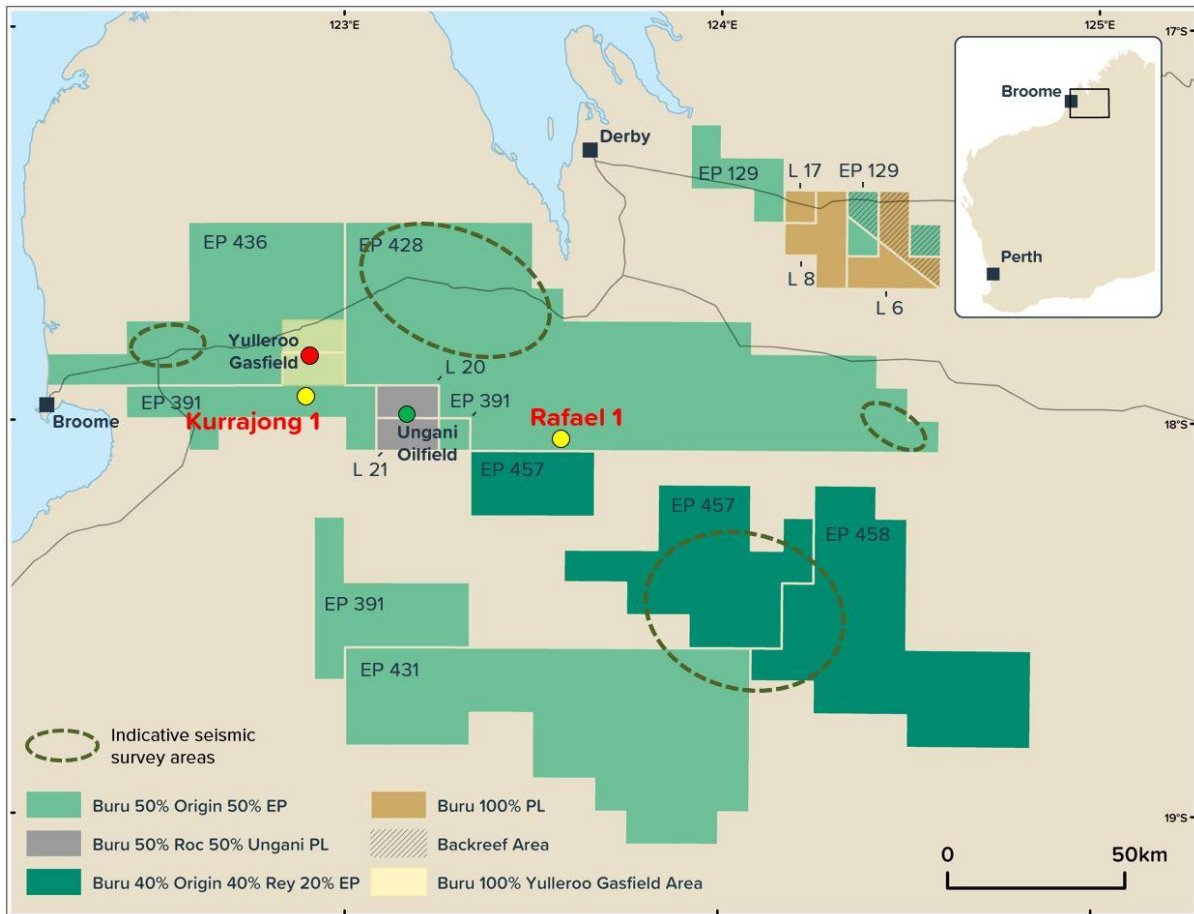
The drilling rig being used for the program is the Ensign 963, the sister rig to the Ensign 970 currently drilling in the Perth Basin. Ensign 963 is currently located at the Kyalla 1 Origin Energy wellsite in the Beetaloo Basin in the Northern Territory. Ensign and Buru have been undertaking rig preparation inspections and Ensign is currently on track to start mobilising the rig to the Kurrajong 1 well site, with the first loads expected to be picked up on 24 May.

It is expected to take two weeks to mobilise all the equipment to the Kurrajong site with rig up and rig inspection and acceptance expected to be completed in time for the target spud date of 15 June.



Buru's Executive Chairman Eric Streitberg commented:

"Drilling preparations are well under way and on track for our target mid-June spud. Site preparations have gone smoothly and without incident and we are very much looking forward to the spud of Kurrajong in just over 4 weeks."



Program location map

Qualified Petroleum Reserves and Resources Evaluator Statement

The estimates of Prospective Resources have been based on, and fairly represents, information and supporting documentation prepared by Mr Eric Streitberg who is a Qualified Petroleum Resources Evaluator.

Mr Streitberg who is an employee and Director of Buru Energy Limited 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.

Authorisation

This ASX announcement has been authorised for release by Eric Streitberg the Executive Chairman of Buru Energy.

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