

Indices and Prices	
All Ordinaries	6,728
Energy Index	10,773
Brent AU\$/bbl	\$ 91
AUS\$/US\$	\$ 0.686
Live Gold/AU\$	\$ 2,168
As at close 10 September 2019	

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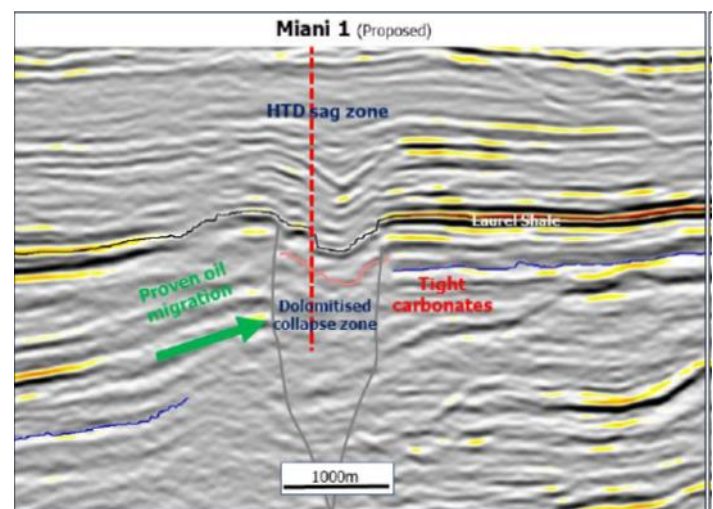
## Buru: as busy as four companies!

**Buru Energy** (BRU) has about 100 metres of drilling remaining to complete the top section at its U-7H well. Once the well is drilled and cased to the top of the dolomite reservoir unit, the drilling rig will be demobilised to drill the 2,400 metre deep Miani well in 100% held L-8.

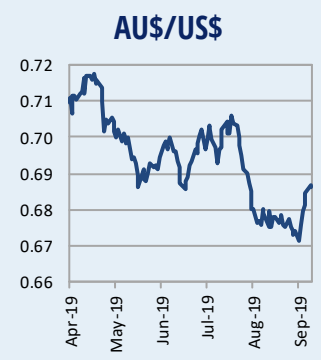
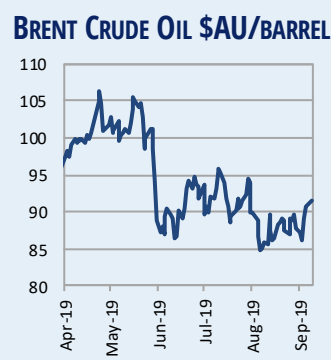
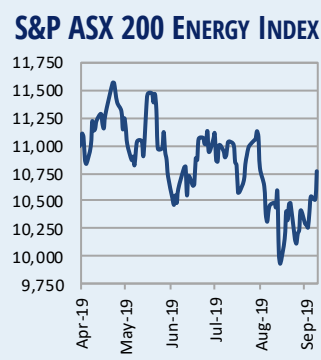
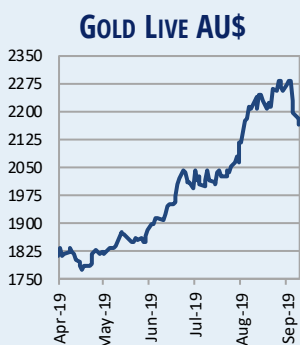
Buru will then mobilise a coiled tubing unit to site. The CTU will attempt to case the bottom hole section of U-6H and then drill one horizontal section at U-6H and two horizontal sections at U-7H that will be left uncased for production.

Contemporaneously, the company plans to test a potential attic oil zone at Ungani-North, test the shallow Yellow Drum zone at Blina-4 and test for conventional gas at Yulleroo-4. **So a very busy couple of months!**

The company correctly reasons that because drilling the much deeper Rafael well would cost over \$8 million and work may run into the oncoming wet season, the company's best option is to take the commercially more prudent step of deferring Rafael drilling until 2020 in order to test the lower cost Miani play in an area that could be less impacted by early rains through October. Provided that development at the Ungani oilfield lifts production to a targeted 3,000 BOPD, Buru will be in a much more commercially sound position to drill Rafael in 2020.



Miani has a Best Estimate Prospective Resource of 17 mmbbls of oil in a hydrothermal dolomite collapse structure. Although the prospect is located in a known area of active petroleum production, StockAnalysis sees risks for hydrocarbon charge and possibly reservoir seal, though the company is confident on both counts. If hydrocarbons are present, the reservoir quality could be exceptional, enabling very high rates of oil production.



**StockAnalysis estimates that if oil has an insitu value of just A\$16/bbl, discovery of 17 million barrels at Miani would be worth 56 cents per share to Buru, or more than twice its current market rating.**

Testing the Miani prospect is thought to hold low operational risk but a highly permeable target zone may hold some drilling surprises! On the positive side, success would establish a number of similar follow-up prospects to Miani that are well-defined on existing 3D seismic over the area.

Prospective Resources Net to Buru	Mean	Low	Best	High
Recov. Oil (million barrels)	22	4	17	47

The target comes with a wide range of estimated Resources, but even at 4 mmbbls it should be highly commercial. **StockAnalysis estimates that the upside target of 47 mmbbls would be worth over \$1.50 per share to Buru!**



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