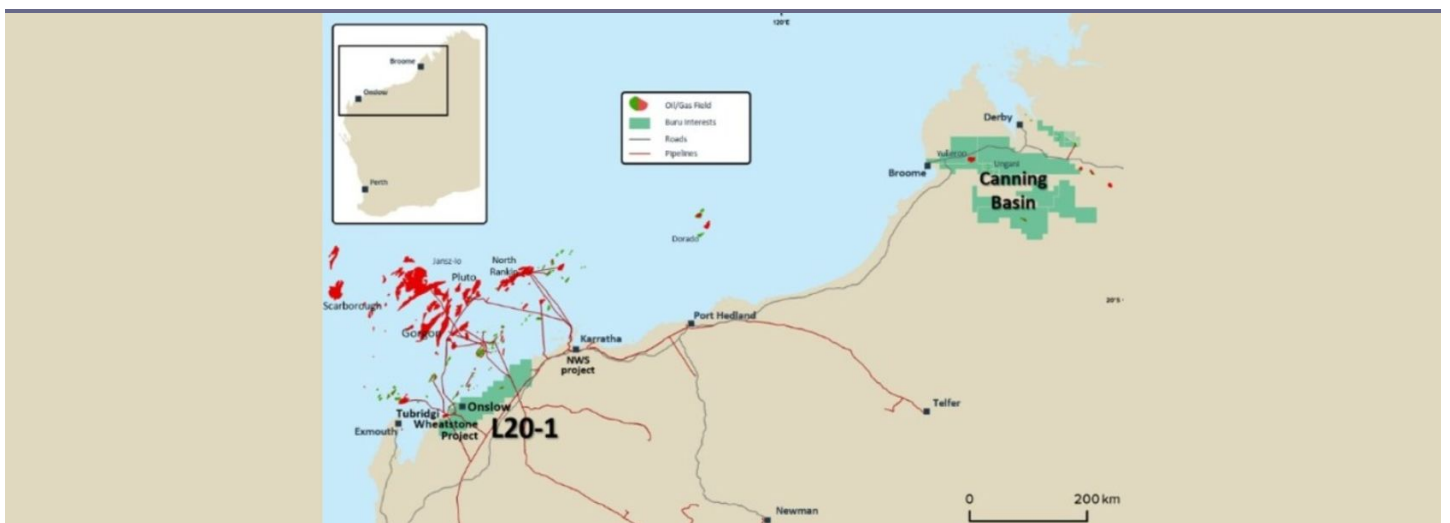


MinRes to carry Buru for exploration

BURU Energy and its joint venture partner Mineral Resources have restructured their partnership in production licence L20-1 in the onshore Carnarvon Basin.



Operations > Exploration

Buru and MinRes first applied for the L20-1 block in October 2020. They were successful in March 2021.

Comments

Under a new updated agreement, Buru will hand over a further 25% stake in the permit to miner MinRes' subsidiary Energy Resources.

Share

Paul Hunt

This will take MinRes' entire interest to 75%.

Senior

Journalist:

Energy &

Commodities

MinRes will then free-carry Buru for the first two exploration wells, expected to be drilled next year.



The acreage covers the onshore portion of the highly prospective Peedamullah Shelf.

The geology is similar to structures Buru has produced from in the Canning Basin.

Since being awarded the block, Buru and MinRes have conducted native title holder negotiations.

Buru notes there is extensive gas infrastructure across the permit.

Buru executive chairman Eric Streitberg said he was delighted with the joint venture restructure.

"The farmout transaction will allow [MinRes] to bring the expertise of its highly successful Perth Basin operating team to the L20-1 area and allow Buru to focus on its very exciting Rafael gas condensate discovery in the Canning Basin and on its energy transition business," he said.

Buru is separately planning a carbon capture and storage project via its Geovault subsidiary in the onshore Carnarvon.

It received \$7 million via a grant from the federal government to conduct a feasibility study into CCS. Heading up Geovault is CCS consultant Rosie Johnstone, a former CCS lead at Shell Australia and expert on CCS potential of the Petrel Sub-basin's Plover formation.

On Tuesday, Buru announced MinRes would partner in this project and would match the grant, taking the total cash for CCS studies to \$14 million.

"The CCS activity will reflect the underlying permit equities with Buru and [MinRes] working together closely and applying and expanding their respective technical and commercial in-house expertise in the CCS feasibility study with the support of the Commonwealth grant," Streitberg said.

"The CCS program will also assist Buru to more fully develop its technical and commercial expertise for its Canning Basin gas commercialisation activity, where CCS has the potential to be a significant project enabler by decarbonising its planned gas developments."

