

Ungani 7H Development Well Spuds

Buru Energy Limited (Buru Energy) is pleased to advise that the Ungani 7 development well was spudded at ~11:30am (AWST) on Monday the 26th of August 2019.

The Ungani 7H well surface location is located on Production License L20 and will be drilled from the Ungani 4ST1 well pad which is located some 500 metres to the southwest of the Ungani 1ST1 and Ungani 2 wellheads and the Ungani Production Facility.

Buru Energy and Roc Oil (Canning) Pty Ltd each have a 50% equity interest in the well and in L20. The Ungani 7H well is being drilled by the NGD 405 rig as a highly deviated well to intersect the Ungani Dolomite reservoir at a measured depth of ~2,275 metres at an angle of some 76 degrees. The well will then be cased and suspended in preparation for the underbalanced coil tubing drilling of the Ungani Dolomite reservoir section (CTD operations). The initial Ungani 7H drilling and casing operations with the NGD 405 rig are expected to be completed in late September.

The operation to install the liner at Ungani 6H is expected to be completed at approximately the same time as the Ungani 7H well is completed. The horizontal underbalanced Ungani Dolomite reservoir sections of both the Ungani 6H and Ungani 7H wells will then be drilled with the coil tubing unit shortly thereafter. Schematics of the drilling operations are appended.

The first drilling progress report for the Ungani 7H well is attached. During the course of drilling operations, weekly progress reports will be provided to ASX and as required upon the occurrence of any material event.

Buru Energy's Executive Chairman, Eric Streitberg said:

"In light of the issues encountered in Ungani 6H, the drilling program for Ungani 7H has been modified to include larger casing sizes to provide more flexibility in controlling the Ungani Shale section. The NGD 405 rig mechanical and crew performance has been substantially enhanced since the problems encountered on Ungani 6H, with excellent rig performance on the Adoxa 1 well. The coil tubing operations on both Ungani 6H and Ungani 7H are planned to be carried out consecutively in October with production from both wells planned to commence shortly after CTD operations are completed."

Visit www.buruenergy.com for information on Buru Energy's current and future activities.

For investor inquiries please contact Buru Energy:

Telephone: +61 8 9215 1800

Freecall: 1800 337 330

Email: info@buruenergy.com

Qualified Petroleum Resources Evaluator Statement

Except where otherwise noted, 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.

Initial Well Operations Report – Ungani 7H

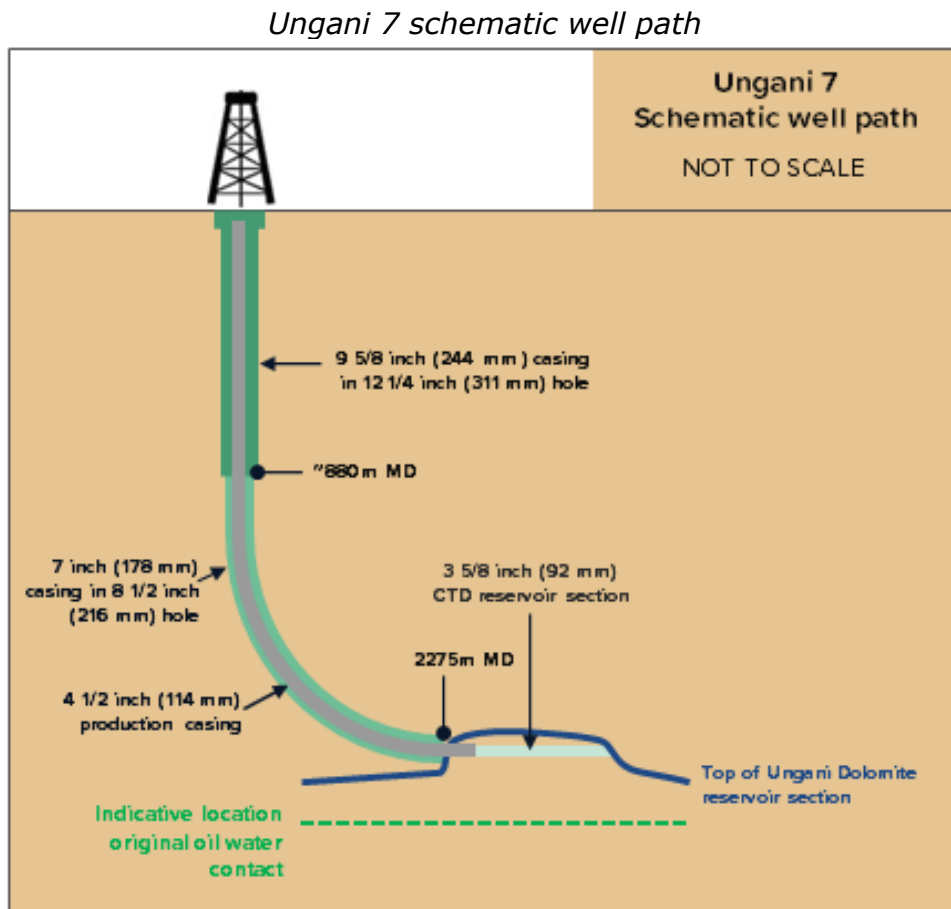
Permit	The Ungani 7H well is located in Production License L 20 in the Canning Basin of northwestern Australia, 97 kms east of Broome. The surface location is some 500 metres to the southwest of the Ungani 1ST1 and 2 wellheads and the Ungani Production Facility.
Well Surface Location	Latitude: 17° 59' 38.9"S Northing: 8,010,455 mN Longitude: 123° 09' 40.0"E Easting: 517,056 mE
Buru Energy's Interest	Buru Energy Limited holds 50% interest in the well and L 20 and is the Operator.
Date of Progress Report	27 August 2019 at 06:00am (AWST)
Proposed Total Depth	+/- 2,275 metres MDRT
Current Depth	267 metres
Commencement Date	26 August 2019
Days Since Commencement	1 day
Target Formation	The well is a precursor well to a horizontal development section in the Ungani Dolomite reservoir of the Ungani Oilfield.
Operations Since Last Progress Report	The well has been drilled ahead in 12¼ inch (311 mm) hole to the current depth of 267 metres. The current operation is drilling ahead to section TD of ~880 metres.
Hydrocarbons Indications	None – None expected.
Forward Operations	The 9⅝ inch (244 mm) casing string will be set at ~880 m. The well will then be continued in 8½ inch (216 mm) hole to a planned section TD of ~2,275 metres.

Ungani 7 Well technical description

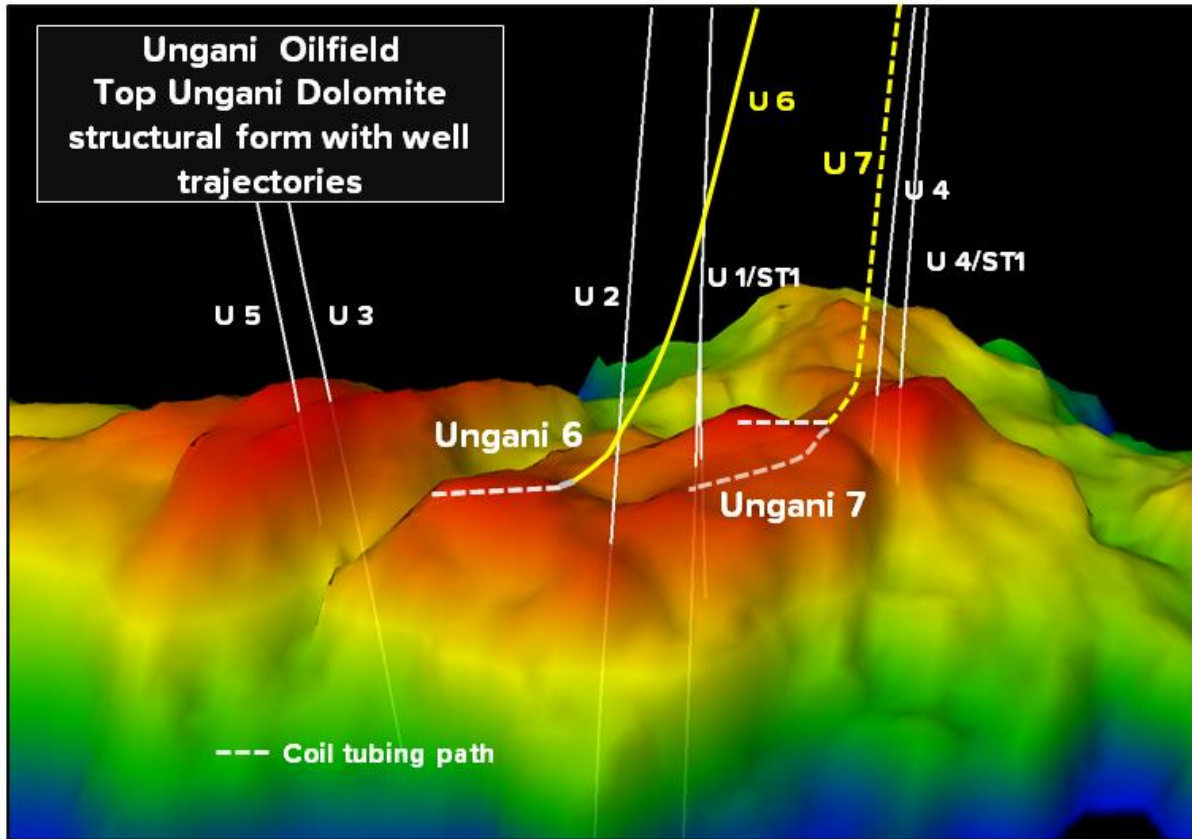
The planned well design for Ungani 7 is to intersect the Ungani reservoir at a hole angle of ~76 degrees in an 8½ inch (216 mm) hole some 600 metres to the northeast of the surface location of the well at approximately 2,275 metres measured depth. The 12¼ inch (311 mm) surface hole will be drilled conventionally to approximately 880 metres with 9⅝ (244 mm) casing set at section depth.

The well will then be drilled through the Laurel Shale section to the top of the Ungani Dolomite in 8½ inch hole. The Ungani 6 drilling program was able to successfully drill through the Laurel Shale but the attempts to run casing through the shale were unsuccessful. The well design for Ungani 7 provides an additional casing size to ensure that a suitable casing string can be run into the reservoir.

The coil tubing drilling unit (CTD) will be mobilised at the completion of the Ungani 6 liner operation and the Ungani 7 drilling operations. The CTD unit will then drill the planned ~260 metre section of underbalanced section through the Ungani 6 reservoir, followed by the Ungani 7 horizontal section. The objective in the Ungani 7 horizontal section is to drill two lateral sections but this will depend on the initial success of the CTD program.



Ungani area well locations and paths



NGD 405 rig

