



11 July 2018

## Operations Update

### Oil Lifting and Sale

The July oil lifting from CGL storage Tank 10 at Wyndham was completed by Trafigura on 10 July with the “MT Palanca Muscat”. The lifting was for some 53,329 barrels of Ungani crude oil (gross, Buru’s share 50%).

Previous liftings since the project restart have been as follows:

Lifting Date	Ship	Quantity	Price
3 Sep 2017	MT Marlin Ametrine	60,275 bbls	A\$61.64 / bbl
19 Nov 2017	MT Marlin Apatite	54,981 bbls	A\$76.07 / bbl
11 Jan 2018	MT Sao Domingos Savio	53,377 bbls	A\$78.58 / bbl
8 Jun 2018	MT Magic Wand	72,722 bbls	A\$90.28 / bbl
10 Jul 2018	MT Palanca Muscat	53,329 bbls	A\$93.90 / bbl*

\* Provisional Price - Final Price determined at the end of July



MT Palanca Muscat at Wyndham

### Ungani Oilfield

Ungani Oilfield gross oil production has been affected by rate tests on the Ungani 1 and 2 wells to determine the most efficient production rate to maximise oil recovery, and also by well operations at Ungani 5.

Water cuts in the Ungani 1 and 2 wells are now relatively stable at some 50% on moderate pump settings.

The Ungani 5 well has been produced from the lower zone with the water cut gradually increasing to some 20% as expected. The upper zone has recently been combined with the lower zone and the well is now being flowed back under test conditions.

Total field production with the current well configuration is some 1,600 to 1,800 bopd with a target field production rate of some 2,000 bopd once the current well testing program and the beam pump installation on Ungani 4 is completed.

The installation of the beam pump on Ungani 4 is progressing and is expected to be completed during the next week. The results of production from Ungani 4 with the beam pump installed will allow the joint venture to make a decision on the best way forward for the well which may include drilling a sidetrack, or possibly a horizontal well, when the DDGT1 rig becomes available in late August.

## **Ungani North 1 operations**

Operations on Ungani North are in progress with the re-perforation of the upper zone completed and swabbing operations to commence shortly.

## **Exploration program**

Work continued on preparation of the DDGT1 rig for the 2018 drilling program and on the sourcing of long lead drilling items. The construction of a new mud system for the DDGT1 rig is currently being completed in China and is the critical path item for the startup of drilling operations. Other work includes NDT inspection of all the critical parts of the rig and refurbishment of the electrical system. Target startup for the drilling program is end August.

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

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### **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.