

Media Release

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Buru Energy lodges Environment Plan for 2014 Tight Gas Program

Buru Energy has today lodged its Environment Plan (EP) with Department of Mines and Petroleum (DMP), seeking approval for its proposed pilot exploration program for tight gas in the Canning Basin, in Western Australia's north-west.

The comprehensive document details Buru Energy's plans to undertake testing for tight gas flows in the Canning Basin's Laurel Formation, at depths of about 2,000m-4,000m. The Canning Basin landscape is a vast arid area in the Kimberley, dominated by large grazing properties and desert land.

Subject to approvals, testing in the basin will be carried out using hydraulic fracturing, or fracking to stimulate the flow of gas from the rock formation. Hydraulic fracturing will be undertaken in four existing wells – two at Yulleroo, about 80km east of Broome, and two at Valhalla/Asgard, about 320km east of Broome.

Buru Energy Managing Director Dr Keiran Wulff said the exploration program for 2014 would help determine the commercial potential of tight gas in the Laurel Formation which may contain the largest onshore natural gas resource in Australia.

Dr Wulff said the 2014 program was the first stage of a multi-stage exploration, appraisal and development program.

"Importantly our entire program will be completely transparent and will be conducted only after extensive community consultation and engagement." Dr Wulff said.

Buru Energy is currently undertaking a comprehensive program of engagement with Traditional Owners, pastoralists and the general Kimberley community.

"We want to contribute to the economic prosperity of the Kimberley community through partnerships and other opportunities, with an emphasis on Traditional Owners and indigenous communities," he said.

"We are focused on ensuring this project is undertaken by using best practices and full integration of international learnings. This is a very important opportunity for the people of the Kimberley and for the State overall.

"If our overall program is successful, we aim to provide a regular and long term supply of natural gas into the WA domestic gas market. This will be achieved with an uncompromising devotion to protecting the environment and the local community."

In preparation for the proposed 2014 program, Buru Energy has undertaken geological modelling, built capacity and accessed world-class and internationally experienced companies to support Buru

Energy's programs. The company has also undertaken extensive hydrogeological assessments and is collecting robust baseline datasets to support the rigorous environmental approvals process now underway.

The EP will be assessed under the Petroleum and Geothermal Energy Resources Act and associated Petroleum and Geothermal Energy Resources (Environment) Regulations. The Environment Plan contains an environmental management framework, an overview of activities, details on the existing environment, an environmental risk management strategy, implementation strategy and information on the consultation and engagement program.

It also incorporates an extensive range of supporting documents including Buru Energy's, hydrogeological assessments, water management strategy, chemical risk assessment including toxicity assessment, and geological environment risk assessment. The geological and water resource studies have been peer reviewed by specialists in the field of geology and water resources respectively.

Dr Wulff said while Buru Energy considered the program was very low risk, it had decided to self-refer the proposed activities to the Environmental Protection Authority (EPA).

In addition to the DMP assessment process, the EPA will make a decision as to whether to assess the proposed activities according to the Environmental Protection Act. During the referrals process, the referral document will be available for public comment via the EPA.

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